



Llywodraeth Cymru
Welsh Government

DEVELOPMENT OF TOURISM AND REGULATION OF VISITOR ACCOMMODATION (WALES) BILL

Explanatory Memorandum
incorporating the
Regulatory Impact Assessment and
Explanatory Notes

03 November 2025

DEVELOPMENT OF TOURISM AND REGULATION OF VISITOR ACCOMMODATION (WALES) BILL

Explanatory Memorandum to the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill

This Explanatory Memorandum has been prepared by the Economy, Energy and Transport Group of the Welsh Government and is laid before Senedd Cymru.

Member's Declaration

In my view the provisions of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill, introduced by me on the 3 November 2025, would be within the legislative competence of Senedd Cymru.

Mark Drakeford MS

Cabinet Secretary for Finance & Welsh Language
Member of the Senedd in charge of the Bill

03 November 2025

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PART 1 – EXPLANATORY MEMORANDUM

1. Description

The Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill (“the Bill”) provides the legislative framework for a licensing scheme for visitor accommodation in Wales, starting with self-catering accommodation. This scheme will support tourism in Wales, by reassuring visitors that accommodation meets the standards they would expect and providing a clear regime for providers.

The licensing scheme will build upon the register of visitor accommodation providers as set out in its companion legislation, the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 (“the VARL Act”). Under that Act, the Welsh Revenue Authority (WRA) will establish, maintain and publish the register of providers, which will also detail the type and location of the premises they operate across Wales. This information may be of interest to local authorities, visitors, businesses and researchers, and will inform the future licensing scheme.

The Bill will complement other measures introduced by the Welsh Government to address the challenges arising from a concentration of second homes and short-term holiday lets in particular areas in Wales. A secondary outcome of this Bill will be to align more closely regulation of self-catering visitor accommodation with the regulation of the private rented sector, ensuring consistent standards for that accommodation, and monitoring compliance with those standards.

The Bill also creates a Code of Welsh law on tourism that will incorporate existing legislation on the development of tourism in Wales, with a view to improving the accessibility of tourism legislation.

2. Legislative Competence

Senedd Cymru ("the Senedd") has the legislative competence to make the provisions in the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill ("the Bill") pursuant to Part 4 of the Government of Wales Act 2006 ("GoWA 2006") as amended by the Wales Act 2017.

3. Purpose and intended effect of the legislation

- 3.1. The Programme for Government 2021-2026 includes a commitment to “Take forward actions to cap the number of second homes, bring more homes into common ownership and licence holiday lets”, and this commitment formed part of the Welsh Government’s Co-operation Agreement with Plaid Cymru from November 2021 to May 2024. The Welsh Government aims to support sustainable tourism and local communities, helping to preserve Wales’ natural environment for future generations to enjoy and addressing the impact second homes and short-term holiday lets can have on communities.
- 3.2. The Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill (“the Bill”) provides the legislative basis for a licensing scheme for visitor accommodation. This builds upon the register of visitor accommodation providers, as set out in the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 (“the VARL Act”).
- 3.3. The purpose of the Bill is to promote the development of tourism in Wales. It does this by:
 - restating and modernising the Welsh Ministers’ functions of promoting tourism in Wales, while requiring them to have regard to the potential social impact of tourism and its potential impact on the environment and the Welsh language;
 - regulating the provision of visitor accommodation in Wales by:
 - introducing a licensing regime to reassure visitors that accommodation meets the standards they would expect and aligning those standards, in the case of self-catering accommodation, more closely with corresponding standards already applicable to the private rented sector in Wales,
 - making a standard in relation to the fitness of visitor accommodation a contractual requirement, and
 - building on the register created by the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 to establish a visitor accommodation directory for the purpose of providing information to the public about visitor accommodation in Wales.
- 3.4. For the purpose of making Welsh law more accessible, the Bill creates a Code of law on tourism, incorporating the provisions of the Bill itself and those of the Visitor Accommodation (Register and Levy) Etc.

(Wales) Act 2025. Subordinate legislation made in due course under the Bill or that Act will also form part of the Code.

- 3.5. The Bill sets out the requirement for regulated accommodation to be ‘fit for visitor accommodation’, for providers to obtain a licence which demonstrates this to visitors, and for accommodation to be advertised in a way which helps visitors understand what is licensed.
- 3.6. The Bill also sets out the conditions visitor accommodation providers must meet. This will include presenting documentation demonstrating they meet relevant requirements and, where relevant, also completing training, which ensures they are aware of their responsibilities as tourism accommodation businesses in Wales.
- 3.7. This Bill is intended to support the visitor accommodation sector across Wales, bringing our regulatory regime up to date in a way which both reassures visitors that accommodation meets the standards they would expect and reassures accommodation providers that those same standards are being met by other providers.
- 3.8. This also reflects the changing relationship between the tourism sector and Government, which we have seen across the world in recent years: seeking still to promote the benefits of a thriving visitor economy; supporting jobs across Wales and sharing and celebrating our culture, language and landscapes; but doing so as part of a sustainable partnership with local communities.
- 3.9. Given the great variety of ways in which visitor accommodation is provided across Wales, we are focussing initially in this Bill on the self-catering sector. This has seen a significant expansion in recent years and forms the majority of accommodation businesses in Wales, not least as a result of the growth of online platforms such as Airbnb and Booking.com. These platforms have allowed people to offer their accommodation in new ways, simplifying the route to market and opening it to a range of new accommodation providers, including some who occasionally let out their own homes. The Bill aims to ensure that however someone is providing this sort of accommodation, they are meeting the standards we and visitors would expect, in the same way as a more traditional visitor accommodation business.
- 3.10. This part of the sector also includes accommodation that might once have been used, or might be used in future, as homes. The Bill aims to better align the regulation of this type of visitor accommodation with the regulation of the private rented sector, to maintain and promote the standard of the accommodation. This will also help to address concerns that for some property owners it may seem easier to operate as a short-term let than as a long-term tenancy, which can lead to the erosion of long-term residential housing stock in some communities.

- 3.11. Our intention is that licensing will apply to other visitor accommodation types in the future, and the Bill includes provision to allow this. Further consultation and assessment of the impact on specific parts of the visitor accommodation sector will be conducted later if necessary as the scheme is expanded.
- 3.12. Through the development of this Bill and the predecessor VARL Act the majority of legislation relating to tourism in Wales will now be in Acts of the Senedd. As such we are taking the opportunity to create a Code of Welsh law relating to tourism. Through this Bill, the Code will incorporate relevant provisions (in modernised form) from the Development of Tourism Act 1969. As a result it is also possible to repeal the Tourism (Overseas Promotion) (Wales) Act 1992 which is now redundant.
- 3.13. This Bill and the VARL Act, together with the subordinate legislation made under them, will form part of that Code. The significance of this status is twofold. The first is that the Welsh Government intends to publish all enactments that form part of the Code together. This will help ensure users of the legislation are able to locate all the relevant legislation in one place. The second is that the Government also envisages, subject of course to the Senedd's agreement, a change to the Senedd's Standing Orders to seek to ensure that future changes to the law that forms part of a Code are made by amending or replacing the enactments rather than making different, "stand-alone", provisions that would lead to a complex proliferation of laws.

Context

- 3.14. Tourism plays a vital role in Wales' economy. Tourism-related industries accounted for 11.8% of employment (159,000 jobs) and 5.1% of GVA in Wales in 2022 (£3.8 billion) in Wales in 2022¹.
- 3.15. There were over 69 million visits to Wales in 2023, representing a combined spend of over £4.95 billion in the Welsh economy. 8.65 million of these visits were overnight stays, representing a spend of over £2 billion².
- 3.16. Our ambition is to grow tourism for the benefit of Wales in a way which supports thriving local communities and is sustainable for the environment and people of Wales.
- 3.17. Visits to Wales, and their associated economic and social impacts are spread across the regions of Wales, however, the scale of tourism-related industries can vary significantly between local areas,

¹ [Wales visitor economy profile: 2024 \[HTML\] | GOV.WALES](#)

² [Domestic GB Tourism Statistics \(day trips\): 2022 to 2023 \(revised\) | GOV.WALES](#); [Domestic GB tourism statistics \(overnight trips\): 2022 to 2023 \(revised\) | GOV.WALES](#); [International inbound visits and spend to Wales | GOV.WALES](#)

representing up to 20% of employment in Pembrokeshire and Anglesey, but only 7.5% in Wrexham in 2022³.

- 3.18. Even at the local authority level, these impacts are not evenly distributed. Listings of properties on Airbnb for example highlight a concentration in mountainous and coastal areas, with some local authorities having listings concentrated in a small number of areas⁴. This concentration of holiday lets in particular communities can come with benefits, such as the potential to generate additional income and employment in associated industries, as well as cause concerns such as decreasing the availability of housing, causing parking disruption, and contributing to litter and pollution, as highlighted by a study on attitudes to visitor accommodation licensing in 2023⁵.
- 3.19. The provision of visitor accommodation has changed significantly since the expansion of Airbnb to the UK in 2009 and the participation of other sites such as Booking.com, VRBO and Expedia in the same market. By May 2022 there were 21,718 properties in Wales listed on Airbnb alone⁶ and in the May 2023 wave of our Tourism Barometer⁷, 75% of accommodation providers interviewed promoted their accommodation via at least one online platform. 49% of self-catering accommodation providers interviewed reported using Airbnb. The reasons people choose to let out property via these platforms vary widely⁸. However, this reflects the extent to which online booking platforms have opened up the visitor accommodation market to a range of new providers, some operating commercially, some very informally or occasionally.
- 3.20. The issues associated with estimating the number of properties let out in Wales, pending the introduction of the register from the VARL Act, are set out in the Regulatory Impact Assessment below, but in the 2022 Wales Bedstock survey, self-catering accommodation establishments (defined for this survey as non-serviced type accommodation including cottages, houses, bungalows, flats and chalets), accounted for 73% of the total accommodation establishments in Wales⁹. They represent a smaller number of the total bedspaces, as caravan sites, campsites and hotels, for example, provide much more accommodation at a single establishment and are easier to capture in such a survey.

³ [Wales visitor economy profile: 2024 \[HTML\] | GOV.WALES](#)

⁴ [Bevan Foundation: Holiday lets and the private rental sector](#)

⁵ [Statutory licensing scheme for visitor accommodation providers: views of consumers and residents | GOV.WALES](#)

⁶ [Bevan Foundation: Holiday lets and the private rental sector](#)

⁷ [Wales Tourism Business Barometer 2023: May Wave Report](#)

⁸ [What motivates people to become Airbnb hosts – do we know enough? — an exploration of the literature | Research in Hospitality Management](#)

⁹ [Summary of Wales bedstock data: situation as at June 2022 \[HTML\] | GOV.WALES](#)

- 3.21. We have heard anecdotal reports^{10,11,12} that there is now inconsistent compliance with regulatory standards across the self-catering sector in particular. This seems to be borne out by feedback following the introduction of the licensing scheme in Scotland, which found significant numbers of accommodation providers were unable to provide evidence of their compliance with regulatory requirements in their initial licensing application¹³.
- 3.22. The Housing (Wales) Act 2014 stipulates that if a landlord wishes to let their property out as a long-term rental, they must register with Rent Smart Wales and either obtain a licence or appoint a licensed agent to manage the property for them. This licence aims to ensure the landlord or agent is both “fit and proper” (including complying with the requirements of housing law) and has completed training about their role and responsibilities. As a condition of their licence, they must ensure the accommodation complies with the minimum standards set out in the corresponding code of practice¹⁴.
- 3.23. The VARL Act introduced a requirement for visitor accommodation in Wales to register with WRA, but there is currently no licensing scheme to raise awareness of and support compliance with standards and statutory requirements.
- 3.24. We commissioned a report in 2023¹⁵ which found that ‘operating safely’ is considered important for 89% of people surveyed who intended to take trips within the UK. ‘The ability to raise concerns or complaints about standards with an independent body’ was also seen as important for 76% of the same group.
- 3.25. Notably, of the different conditions measured, ‘accommodation not operating safely’ was the leading factor which would put people off booking accommodation (59%). 44% stated that ‘not providing the ability to raise concerns with an independent body’ would mean they would probably or definitely not book accommodation.
- 3.26. 62% of people surveyed intending to take trips within the UK were not aware there is currently no scheme requiring accommodation providers to confirm they meet health and safety requirements to operate, and 83% stated they would be more likely to book accommodation if such a scheme was in place.

¹⁰ [Statutory licensing scheme for all visitor accommodation providers in Wales: summary of responses](#)

¹¹ [Cyngor Gwynedd: Managing the use of dwellings as holiday homes](#)

¹² [PASC UK guidance notes on responding to Welsh Government statutory licensing consultation](#)

¹³ [Short-Term Let Licensing Implementation Update Report 2024 - gov.scot](#)

¹⁴ [Rent Smart Wales: code of practice | GOV.WALES](#)

¹⁵ [Statutory licensing scheme for visitor accommodation providers: views of consumers and residents | GOV.WALES](#)

- 3.27. In 2020, a report on behalf of Gwynedd and Cardiff Councils concluded that given the limited ability for local authorities to regulate short-term holiday lets, and the perceived absence of a regulatory regime, a licensing scheme should be introduced¹⁶. This recommendation was echoed by the academic Dr Simon Brooks in his 2021 report¹⁷, which explored a range of issues and made recommendations in respect of short-term holiday lets.
- 3.28. Similar concerns have been raised with us¹⁸. A House of Commons Library report on short term lets in England¹⁹ highlighted that the market is currently distorted by the extent to which accommodation providers understand, and comply with, their regulatory obligations.
- 3.29. It has been widely reported^{20,21,22} that changes in the ways in which visitor accommodation is offered are also leading to changes in some communities with high concentrations of holiday lets and second homes.
- 3.30. There is no definitive evidence specifically on the rate at which or the extent to which properties are moving from long term habitation to the short-term rental sector, but a 2020 Capital Economics analysis reported that across Great Britain: *“Almost one quarter of landlords surveyed currently let out properties on short-term lets, while twelve per cent of these have done this by changing the use of a property that was previously used for long-term lets; almost 50,000 properties have already been made unavailable to long-term tenants in order for landlords to pursue short-term lets”*²³. Whilst this only represents approximately 1% of housing stock across Great Britain, the way in which short-term lets are geographically concentrated²⁴ suggests the impact may be much more acute in hotspot communities.
- 3.31. They also found that: *“Ten per cent of landlords surveyed said they were ‘very likely’ or ‘fairly likely’ to offer short-term lets in the future in properties that are currently used for long-term tenancies”*²⁵.
- 3.32. As a result of these findings, they recommended that governments should pursue a level regulatory playing field between long-term and short-term lets.

¹⁶ [Cyngor Gwynedd: Managing the use of dwellings as holiday homes](#)

¹⁷ [Second homes: Developing new policies in Wales](#)

¹⁸ [Statutory licensing scheme for all visitor accommodation providers in Wales: summary of responses](#)

¹⁹ [The growth in short-term lettings in England](#)

²⁰ [Second homes: what’s happening in Wales?](#)

²¹ [Bevan Foundation: Holiday lets and the private rental sector](#)

²² [How Airbnb is ruining local communities in north Wales | Airbnb | The Guardian](#)

²³ [Capital Economics: The impact of short-term lets](#)

²⁴ [Bevan Foundation: Holiday lets and the private rental sector](#)

²⁵ [Capital Economics: The impact of short-term lets](#)

- 3.33. As set out in the regulatory impact assessment below, precise data on the number of short-term lets in Wales is not available to develop a more specific view, but the Bevan Foundation, reviewing data from Inside Airbnb, found that listings on Airbnb which appeared to be suitable for long-term habitation represented approximately 1% of dwelling stock in Wales. When looking at some coastal areas of Wales the proportion is even higher, at 3.1% in Ceredigion, 3.7% in Pembrokeshire and 4.6% in Gwynedd²⁶. As discussed above, this will be concentrated even further in particular communities.
- 3.34. The Bevan Foundation conclude in their report that: *“In Airbnb hotspots it appears likely that the sector is having a direct impact on the availability of rental properties for low-income tenants”*. And that to maximise the benefits short-term lets can offer to communities, a balance needs to be struck between availability of accommodation for visitors and for people wishing to live in their communities.

Why is a Bill needed?

- 3.35. In the absence of a licensing regime for visitor accommodation, there is a significant risk that the short-term let sector will continue to expand in a way which exacerbates the market distortions already reported, with some accommodation providers – either unknowingly or deliberately – failing to meet regulatory standards, therefore able to operate at lower cost than providers who understand and invest in complying with the current regulatory regime.
- 3.36. This anecdotal non-compliance also poses a risk in and of itself. If it continues to grow, either in perception or in fact, it may start to undermine visitor confidence in accommodation in Wales, damaging our tourism industry and economy. This could be particularly damaging if a perception grows that accommodation in Wales may not meet key standards (fire safety for example), or may not otherwise be fit for use as visitor accommodation.
- 3.37. Intervention is therefore important to support the visitor economy in Wales and the effective functioning of our visitor accommodation market.
- 3.38. The Bill aims to establish a regulatory scheme which will build on the register introduced in the VARL Act to address these concerns, licensing self-catering accommodation in the first instance, to give confidence to visitors about accommodation in Wales; and provide a more level playing field within the self-catering visitor accommodation sector.
- 3.39. There is also a risk that the impacts on communities become more pronounced. If the fears raised in Capital Economics’ report²⁷

²⁶ [Bevan Foundation: Holiday lets and the private rental sector](#)

²⁷ [Capital Economics: The impact of short-term lets](#)

materialise, and more landlords perceive short-term lets as subject to a lower regulatory burden than long-term rentals, the housing concerns raised by the Bevan Foundation²⁸, Cyngor Gwynedd²⁹ and others³⁰ may increase, leading to even more significant issues, particularly in hotspot communities, and undermining the sustainability of tourism in those areas. Promoting standards in this type of visitor accommodation through a licensing scheme should also help mitigate this risk.

- 3.40. This Bill builds on the programme of legislation this Government has introduced over the course of this Senedd term, including under the Co-operation Agreement with Plaid Cymru, to rebalance the relationship between second homes and holiday lets, and the communities which host them.
- 3.41. We have introduced new planning use classes and corresponding permitted development rights, which allows the planning system to recognise the difference between primary homes, second homes and holiday lets and gives local planning authorities the ability to identify areas which are acutely affected and consider whether restrictions are justified.
- 3.42. We have introduced a higher letting threshold for residential property to be classified as non-domestic for local tax purposes. This enables professional self-catering businesses which meet the threshold to continue to be subject to non-domestic rates, but ensures businesses which are making a smaller contribution to their local economy are making a fair contribution via the council tax system. We are consulting on refinements to the letting criteria for these purposes³¹.
- 3.43. We have also introduced new taxation powers for local authorities, so they are able to introduce a visitor levy to reinvest in tourism development and support a strong and sustainable visitor economy in their area. They can also choose to impose higher council tax premiums on second and empty homes to help address the negative impacts these types of properties can have.

Intended effect of the legislation

- 3.44. This section provides a high-level overview of the key intended effects of the Bill. For a more detailed explanation of the provisions included in the Bill, please see the Explanatory Note in Annex 1.
- 3.45. As set out above, we are starting by regulating self-catering accommodation, which has expanded significantly via online booking platforms in recent years to the extent that it now comprises the

²⁸ [Bevan Foundation: Holiday lets and the private rental sector](#)

²⁹ [Cyngor Gwynedd: Managing the use of dwellings as holiday homes](#)

³⁰ [Huge growth and ethical concerns make Airbnb users think again | Money | The Guardian](#)

³¹ [Proposed refinements to the classification of self-catering properties for local tax purposes | GOV.WALES](#)

majority of visitor accommodation businesses in Wales. The Bill aims to capture accommodation in whole houses and flats, and in any other self-contained accommodation such as lodges or chalets with the kinds of facilities for washing, cooking and sleeping which reflect the Visit Wales categorisation of self-catering accommodation and other similar accommodation. This is referred to in the Bill as regulated visitor accommodation.

- 3.46. There are some exceptions from this definition, which reflect different ways in which accommodation is provided. These include spare rooms let out in someone's property, hotel rooms with self-catering facilities, hostels and bunkhouses, and caravans on sites subject to the existing site licensing scheme. In each of these cases, before they are brought into the regulatory scheme, further specific consideration would need to be given to the accommodation and the way it is provided to make sure the right conditions are applied, which are both proportionate for the accommodation providers, and sufficient to give visitors the level of reassurance the legislation seeks to provide for regulated visitor accommodation.
- 3.47. The Bill includes a power to extend the definition of regulated visitor accommodation. This is intended to allow other types of accommodation to be brought into this regulatory scheme in future, once consideration has been given to an appropriate set of licence conditions.
- 3.48. The Bill then creates the concept of 'fitness for visitor accommodation'. This is intended to encompass a set of standards accommodation should be meeting, as well as to reflect the concept of 'fitness for human habitation' from housing law. Fitness will naturally mean something different, for example, for an off-grid bothy than for a self-catering cottage.
- 3.49. Echoing the corresponding standard term of occupation contracts introduced in the Renting Homes (Wales) Act 2016, the Bill sets out that visitors to regulated visitor accommodation in Wales have a contractual right to expect their visitor accommodation to be fit to be used as such.
- 3.50. This is a standard we expect visitor accommodation in Wales already to be meeting and, where a provider has misrepresented their accommodation, visitors already have some protections which we aren't seeking to alter or affect³². However, this sets out an important principle for tourism purposes, that visitors to Wales should expect that their visitor accommodation will be fit for them to stay in.
- 3.51. The licensing scheme proposed in the Bill expands on this concept. It sets out a requirement that providers of regulated accommodation will

³² [False Advertising Laws & Legislation UK | VisitBritain.org](#)

need to apply for a licence, demonstrating at the point of application that they meet a set of documentable conditions which relate to its fitness for visitor accommodation: gas certificates, electrical condition reports, insurance and confirmation that fire safety guidance has been followed and smoke and carbon monoxide alarms are in place. The default is that licences will need to be renewed annually.

- 3.52. For accommodation providers who are already complying with gas, electrical and fire safety requirements, these should be straightforward – the intention is for the process to be relatively light-touch for providers who are doing the right things, but sufficiently robust that where for example a provider hadn't realised they're supposed to have met these requirements, they need to show they have now done so.
- 3.53. To support this, and in line with the concerns raised about the extent to which providers understand the regulatory expectations of them when offering visitor accommodation, the Bill also provides for a training requirement, to show accommodation providers in Wales understand what is required. This is not specified on the face of the Bill both to allow it to evolve over time, and to allow us to work with the industry and ensure the training adds value for providers.
- 3.54. Where there are concerns about an application, and the Welsh Ministers can't conclude the accommodation is likely to be fit, then they can inform an applicant that a further assessment is required, including arranging for an inspection if necessary.
- 3.55. It is then a condition of a licence that regulated accommodation must be fit for visitor accommodation at any time an overnight stay takes place (which includes any period during which one or more visitors is entitled to stay but do not enter the premises).
- 3.56. Licence conditions also require information to be provided to visitors, so they understand what licensing means, how to use the register, and what they can do if they have any concerns about the accommodation they are staying in.
- 3.57. The Bill confers licensing functions on the Welsh Ministers, but wider powers already exist to make agency arrangements for others to undertake functions on their behalf. The system is designed to dovetail with registration. Implementation plans are still being developed, but the Bill would for example allow the Welsh Government to work with WRA to support the processing of applications via the same online platform as registration to create a single point of entry for accommodation providers. It would also allow the Welsh Government to work with local authorities to support enforcement action of a kind which would already be undertaken by their environmental health and housing enforcement teams on a similar basis to Rent Smart Wales.

- 3.58. The Bill also provides that the Welsh Ministers and WRA must together publish a single directory of information about visitor accommodation in Wales.
- 3.59. The Bill requires all providers of visitor accommodation, regardless of the type of accommodation, or anyone who advertises it on their behalf, to include a valid premises registration number in all advertising. This is a key mechanism for the scheme to promote visitor accommodation in Wales.
- 3.60. Making clear in advertising that accommodation is part of the registration and licensing system, and providing a registration number which can be used to check licence information for the accommodation on the published directory, should reassure visitors that accommodation is meeting the standards they expect and is operating legitimately. This will also support the enforcement of both registration and licensing, highlighting clearly where accommodation providers have not met their obligations to register and, where relevant, obtain a licence.
- 3.61. The Bill makes procedural provision about decisions in relation to licences and enforcement. This is designed to support transparency and fairness in decision-making, whilst ensuring the regime is robust enough to effectively promote visitor accommodation in Wales and ensure accommodation providers are meeting the necessary standards. This includes, where the licensing authority believes licence conditions have been breached, ensuring there is an opportunity for accommodation providers to make representations or take remedial action to allow them to keep their licence, and rights of appeal against certain decisions. It also includes powers to make secondary legislation so that procedures can adapt in future, to take account of new types of regulated accommodation and ensure processes remain both effective and efficient.
- 3.62. The Bill creates powers of inspection so that a fair resolution can be reached in circumstances where there are serious concerns about the fitness of visitor accommodation which can't be resolved without an authorised person directly inspecting the premises. This will be possible both at the point of application, if there is reason to believe the accommodation is not fit, or where issues arise during the course of a licence.
- 3.63. Where offences are committed, the Bill creates powers for penalty notices to be issued instead of prosecution. It is our intention that enforcement action would be taken on the basis that operators would be educated and encouraged to comply in the first instance. The system is designed to be straightforward for providers to engage with and in most cases we expect the incentive to be to do so rather than face enforcement action. Penalty notices will help underpin this. Should this prove insufficient, prosecution will be available to ensure the

integrity of the regulatory scheme but we expect this to be necessary in very few cases.

- 3.64. To improve the accessibility of the law relating to tourism in Wales, the Bill creates a Code of Welsh law. The Bill therefore restates, in a clearer way, the powers contained in the Development of Tourism Act 1969 and amends that Act to reflect their removal. These powers set out the role of the Welsh Ministers in promoting tourism in Wales. The Bill requires the Welsh Ministers to have regard to the importance of mitigating the social and environmental impact of visitors, and maintaining and promoting the use of the Welsh language in the exercise of those functions. These are already factors we would be expected to consider under the Well-being of Future Generations (Wales) Act 2015. However, explicitly stating them here echoes the similar destination management functions referenced in the VARL Act, supporting the expectation that the Welsh Government, local authorities and, where relevant, levy partnership forums should work together to promote tourism across Wales.

4. Consultation

Reasons for not consulting on a draft Bill

- 4.1. There has been no formal consultation on a draft Bill. Instead there has been consultation on the policy underpinning the Bill, as described below. Where there have been changes since the original consultation proposals these reflect a development in thinking and response to stakeholder views, rather than a departure from the original policy intent.
- 4.2. Given the consultation undertaken, level of responses received and subsequent engagement it was not considered necessary to consult on a draft Bill.

Initial consultation

- 4.3. Exploratory work for the scheme was undertaken by [Strategic Research and Insight Ltd in 2021](#). This consultation concluded a scheme is needed and stakeholders are strongly in favour of a statutory scheme for the following main reasons:
 - Safety of overnight tourists was perceived as being at risk. It was perceived that anyone can let out premises without adhering to safety standards;
 - Operators choosing not to spend appropriately on safety measures are in unfair competition with those who do; and
 - The scheme would create a comprehensive platform for policies and communication, as interaction between public and private sector is more difficult when not knowing who is in the sector.
- 4.4. Whilst the consultants' work did not draw final conclusions about what a scheme should look like and what it should include, the research undertaken by Strategic Research and Insight drew out several options, the views of stakeholders, and an assessment of those options. This pointed to a recommended way forward that was further developed by the policy team which was tested in further consultation:
 - **Registration 'plus'** – A registration scheme robust enough to level the playing field for safety standards but simple and affordable enough to minimise any loss of operators from the sector.

- **National operation** – The register to be operated nationally via a national registration website with data inputted online.
- **All accommodation providers** - All operators providing holiday accommodation on a commercial basis, regardless of size and frequency of operation, will be required to register.
- **Information collected** - The register would collect information on: name of owner, name of establishment, address, postcode, local authority area, type of holiday accommodation (hotel, B&B, self-catering etc.), size/units, existing grading or accreditation.
- **Transparency** – The information collected on the register would be available to key authorities (e.g. local authorities, police, fire service etc) but not made public.
- **Self-certification** – Accommodation providers would be required to self-certify they meet required standards (around fire safety, gas safety, valid insurance etc).
- **Inspection or verification** – It was not proposed that there would be pro-active inspections undertaken by either WG or local authorities, although it would be possible to follow up reactively to any concerns or complaints.
- **Penalties** - There should be penalties (type and level to be determined) for operators found not to have registered or proved to have registered false information, or failed to maintain the requirements of registration
- **Fee** – An annual fee would be required, and licensees would be required to check that the information held on the register is updated and accurate on an annual basis.

Welsh Government consultation

4.5. A Welsh Government consultation ([Statutory licensing scheme for all visitor accommodation providers in Wales](#)) was run between 16 December 2022 and 17 March 2023. The consultation consisted of 64 questions. It received 1,595 responses in total, of which 1,133 were complete and 462 were partial responses. Respondents included local authorities, visitor accommodation providers, tourism representative bodies and residents of Wales.

4.6. The consultation questions fell under the following topic areas:

- Proposed aims and benefits of a statutory licensing scheme;
- National or local delivery;
- Accommodation types in scope;
- Operating period;
- Limited licence for one-off or annual events;
- Scheme requirements;
- Compliance and enforcement;
- Fit and Proper Person test;
- Licence fees;
- Frequency of application;
- Transparency and access to information; and
- Displaying licence numbers.

4.7. The most common overarching themes emerging from responses in this consultation were:

- The view that the proposed statutory licensing scheme would create significant administrative and financial burden;
- The suggestion that the visitor accommodation market is highly competitive and thus already operates efficiently; and
- General disagreement with any form of statutory licensing, without offering any further explanations for this view.

4.8. The responses were consistently split between demographics. Large tourism organisations and local authorities were more likely to agree with the proposals, while visitor accommodation providers and residents most often disagreed.

4.9. The full summary of responses for this consultation was published on the Welsh Government website in July 2023³³.

Welsh Government supplementary consultation

4.10. Following the initial 13-week consultation, we identified the need to consult further with key stakeholders from the tourism industry on specific areas of policy development.

4.11. Subsequently, three [in-person consultation events](#) took place in north, mid and south Wales between 22 and 26 May 2023. An invitation was sent to 300 key tourism stakeholders, representing national, regional, and local associations and forums, as well as representatives from local authorities, online travel agents and self-catering agencies.

4.12. 58 key stakeholders accepted the invitation and attended the events. Those that attended represented a significant number of tourism

³³ [Statutory licensing scheme for all visitor accommodation providers in Wales | GOV.WALES](#)

businesses in Wales, with cross-sectional representation of sectors within the tourism industry across Wales.

- 4.13. At all three events there was consistency in welcoming the scheme, as well as strong vocal opposition to the concept of licensing, with a clear preference for registration. This was because licensing was seen as a means of granting permission to operate as opposed to the creation of a voluntary register of operators. However, the idea of receiving a licence or a registration number to show compliance was welcomed, as well as being seen as a driver for participation.

Welsh Government survey

- 4.14. We conducted a survey focussing on the views of visitors and residents. The study ran from the 1 September to 7 September 2023. 2,557 respondents completed this survey, of whom 1,022 lived in Wales³⁴.
- 4.15. The survey results showed compliance with health and safety requirements is clearly important for domestic trip takers/intenders (intending a UK holiday or short break in the next 12 months) when booking accommodation. 'Accommodation not operating safely' was regarded as the leading factor that would put intenders off booking accommodation, 59% saying they would probably/definitely not book in this scenario, ahead of 'not offering good value for money' (56%). A majority (83%) of domestic trip intenders stated they would be 'more likely' to book accommodation if there was a legal requirement to confirm compliance with health and safety; a slightly larger majority (85%) stated they would be 'more confident' in their personal safety if this legal requirement existed.
- 4.16. Most residents of Wales surveyed (71%) were unaware there is currently no scheme requiring accommodation providers to confirm compliance with health and safety requirements to operate. When asked what impact such a scheme would have on their local area, the response was broadly positive; nearly 7 in 10 (68%) believed it would have a positive impact on 'health and safety', believing such a scheme would drive up standards and ensure compliance. Around two-thirds (65%) believed that it would have a positive impact on 'the local economy', perhaps driven by a sense that improved standards would also encourage more tourism.

Senedd consultation on the VARL Bill

³⁴ [Statutory licensing scheme for visitor accommodation providers: views of consumers and residents | GOV.WALES](#)

- 4.17. In addition to consultation on policy surrounding the licensing of visitor accommodation, we paid close attention to responses to the Senedd Cymru's consultation on the VARL Bill³⁵. The consultation ran from 29 November 2024 to 10 January 2025.
- 4.18. The consultation had 150 responses from a range of stakeholder types, including individuals, visitor accommodation providers, industry representative groups, non-profit organisations and local authorities.
- 4.19. Although the consultation focussed on the VARL Bill, some stakeholder comments were relevant to the development of a licensing scheme for visitor accommodation. Key views from the consultation relevant to the development of the licensing scheme included the following:
- A view from a significant number of respondents, that a scheme to confirm compliance with minimum standards would be welcomed, however there was some conflation between registration and licensing with, for example, PASC UK lamenting the lack of opportunity in the registration scheme for VAPs to demonstrate their compliance with safety and quality requirements;
 - A minority of respondents did not see a licensing scheme as necessary or desirable if a registration scheme could collect information on safety;
 - A need for clarity in definitions used in the Bill, in particular the terms 'business', 'occupier', and 'offers to provide', similarly clarity over what needs to be licensed;
 - Some respondents, including Airbnb, suggested that the register should be implemented prior to any decisions being made to introduce a licensing scheme;
 - Any scheme must be as simple as possible for accommodation providers to limit administrative burden. This was particularly the view of non-profit organisations relying on volunteers;
 - Concern from some respondents that additional costs to the industry could shrink the growth of the industry;
 - An anxiety over the cost of licence fees;

³⁵<https://business.senedd.wales/mgConsultationDisplay.aspx?id=576&RPID=1066021909&cp=yes>

- The need for effective enforcement to prevent businesses from unfairly competing with legitimate businesses by operating underground; and
- The need for clear guidance and training in new requirements.

4.20. A number of respondents asked for the consideration of the cumulative impact of Government policy and world events when considering further intervention. The Wales Tourism Alliance listed the following as having impact on the tourism industry over the past five years:

- a) *2020: The global coronavirus pandemic which has – and continues to – significantly influence patterns of domestic and international travel. As a result, trends in Wales are for last-minute, shorter-length, lower-spend stays, which are more expensive re promotion and cleaning/laundry schedules (accommodation). Wales faces newly aggressive marketing campaigns promoting overseas holidays. Visit Wales also has significantly less to invest than its equivalent bodies within the UK to compete for domestic trade in this new environment*
- b) *2022: The war in Ukraine which significantly increased energy costs and therefore the cost of delivering holiday accommodation in Wales*
- c) *2023: The introduction of the “182 day rule” under which “holiday let” properties must achieve occupancy for a minimum of 182 days a year or move from small business rates into paying council tax*
- d) *2023: The introduction of up to 300% council tax premiums on “second homes” which applies to those businesses unable to achieve 182 letting days*
- e) *2024: The cost-of-living crisis which has impacted consumer spending patterns*
- f) *2020-2025: The 40% increase that has been put on the national living wage, which has gone from £8.82 in April 2020 to £12.21 from April 2025. This does not just affect the lowest earners as business are forced to introduce incremental increases on all other pay bands*
- g) *The increase in National Insurance being implemented from April 2025 will further impact the market, following a damaging period of high interest rates. There is clear evidence already available that these changes have had negative impacts on the market and employment, and that legislative changes are not achieving the desired policy effects (e.g. increasing affordable housing where it is needed) but this is being ignored*

- h) Welsh Government has not taken the opportunity to review the effect of existing policies affecting tourism, especially the 182-day rule and business rates/council tax changes, despite having received evidence of damage to tourism providers and secondary businesses without any corresponding gain on policy aim*

Continued stakeholder engagement

- 4.21. Officials meet regularly with representatives of the sector, where the views of members have been helpful in forming the policy supporting the Bill. As examples, updates have been given at the Visitor Economy Forum and Regional Tourism Fora where key stakeholders from the tourism industry come together. In addition, meetings have been held with stakeholder representative groups (e.g. PASC) and other organisations such as Airbnb and Expedia.
- 4.22. We have also engaged further with residents and communities to understand their perspectives.
- 4.23. We ensure that any updates are available to the sector via the Visit Wales e-newsletters and social media.

Engagement and lessons from other Governments

- 4.24. Desk-based research was undertaken to discover which UK and European areas have similar registration and licensing systems in place. Different countries have different reasons to implement such systems, making comparison difficult.
- 4.25. We are in touch regularly with counterparts in other parts of the UK to ensure we learn from each other and share good practice. For example, we have been following the introduction of the short-term let licensing scheme in Scotland and the development of a statutory registration scheme in England closely.

What policy decisions have been made, based on responses to consultation and survey?

- 4.26. Our engagement with partners has highlighted a range of views on licensing visitor accommodation. Whilst some are opposed to having a scheme altogether, those who saw the need for a scheme to confirm compliance with regulatory standards still stressed the importance of making that scheme as simple and straightforward as possible for visitor accommodation providers who are doing the right things.

- 4.27. We have kept this in mind throughout the development of the licensing scheme proposed in the Bill, aiming to make it as simple as possible for providers, whilst ensuring it is robust enough to achieve its objectives and offer the accommodation providers who are doing the rights things assurance that others are meeting the required minimum standards.
- 4.28. We have also taken on board feedback from the consultation about whether the scheme should be national or local. Most respondents were in favour of a national scheme for consistency across Wales, and this has been echoed in subsequent conversations with industry stakeholders.
- 4.29. We understand many visitor accommodation providers would prefer not to have a licensing scheme. Particularly in the context of discussions about the licensing scheme introduced in Scotland which were taking place at the same time as our consultation, we recognise that the idea of licensing was seen as evocative of a highly bureaucratic regime.
- 4.30. We believe that the scheme as proposed in this Bill balances those concerns with the issues highlighted above in Chapter 3, to deliver a scheme that will support tourism, including a licensing scheme and implied contractual provisions which will not be overly burdensome, but will support a healthy and competitive visitor accommodation market, promote accommodation in Wales to visitors, and help address concerns about perceived lower regulatory standards for short-term lets than long-term lets.

Improving the accessibility of Welsh law

- 4.31. No consultation has been undertaken on the specific proposal to create a Code of Welsh law relating to tourism, or the incorporation and modernisation of existing tourism related legislation. This was not considered necessary in light of the Government's ongoing programme of improving the accessibility of Welsh law³⁶. This programme seeks to tackle problems with the complexity of the law, and the disorganised state of our vast and sprawling statute book. The problems of inaccessible law are caused not only by the sheer volume of legislation but also because that legislation has been amended, re-amended and re-made in inconsistent ways over time. Sometimes those changes can result in legislative provisions that are no longer necessary.

³⁶ The current programme is available at: [The future of Welsh law: revised accessibility programme 2021 to 2026 | GOV.WALES](#)

5. Power to make subordinate legislation

The Bill contains provisions to make subordinate legislation. Table 5.1 (subordinate legislation) and Table 5.2 (codes and guidance) set out in relation to these:

- i. the person upon whom, or the body upon which, the power is conferred;
- ii. the form in which the power is to be exercised;
- iii. the appropriateness of the delegated power;
- iv. the applied procedure; that is, whether it is “Senedd approval”, “Senedd annulment”, or “no procedure”, together with reasons why it is considered appropriate.

The Welsh Government will consult on the content of the subordinate legislation where it is considered appropriate to do so. The precise nature of consultation will be decided when the proposals have been formalised.

Table 5.1: Summary of powers to make subordinate legislation in the provisions of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
5(1)(b)	Welsh Ministers	Regulations	This power allows the Welsh Ministers to specify additional types of regulated visitor accommodation. This allows the scheme to be extended, subject to Senedd approval. This is necessary to allow the scheme consistently and fairly to be applied to other types of visitor accommodation in future, should the Senedd deem it appropriate.	Senedd approval	The Senedd should have the opportunity to scrutinise and vote on proposals for obligations to be placed on providers of visitor accommodation which wouldn't otherwise be included in the regulatory regime.
6(2)	Welsh Ministers	Regulations	This power allows the Welsh Minister to make further provision about premises at which regulated visitor accommodation is offered or provided being fit for visitor accommodation. This is necessary to allow consideration of alignment with any changes to fitness for human habitation in the private rented sector in regulations under	Senedd approval	The Senedd should have the opportunity to scrutinise and vote on substantive changes to the meaning of fitness for visitor accommodation, and any new standards proposed to be applied.

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			the Renting Homes (Wales) Act 2016 and to make any necessary provision to ensure the requirements are appropriate for new types of accommodation regulated in future.		
13(2)	Welsh Ministers	Regulations	This power allows the Welsh Ministers to prescribe what must be covered by public liability insurance, and the level of cover required. This is necessary to reflect changes in the way cover is provided, and changes in costs which may need to be covered, such as legal fees, so the level of cover required can increase in future.	Senedd annulment	This power allows administrative and technical detail to be specified to ensure the level of cover is relevant at any given time.
16(1)	Welsh Ministers	Regulations	This power allows the Welsh Ministers to specify the training requirement which should be met to obtain a licence. Training will ensure providers understand their obligations under the scheme. The power allows us to work with the sector to develop training which adds value for providers and	Senedd annulment	This power is subject to a consultation duty, so the Senedd will be able to take an informed view on the annulment procedure. The power includes technical details around who will provide the training, for

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			supports the effectiveness of the scheme, ensures the training can evolve over time to remain relevant and account for any additional regulated accommodation or new licence conditions, and gives us scope to consider whether accreditation is appropriate for some providers.		which the approval procedure may not be necessary.
17(1)	Welsh Ministers	Regulations	This power allows the Welsh Ministers to prescribe additional conditions which should apply to licences awarded under this Part. This is necessary both to ensure transparency and fairness where it becomes clear new conditions are necessary either for all accommodation providers or in certain circumstances, and to ensure that if additional types of accommodation are regulated, appropriate conditions can be added to licences.	Senedd approval	The Senedd should have the opportunity to scrutinise and vote on changes to the conditions of operating regulated visitor accommodation.
19(3)	Welsh Ministers	Regulations	This power allows the Welsh Ministers to prescribe additional approval requirements which must	Senedd approval	The Senedd should have the opportunity to scrutinise and vote on

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			be met before a licence is awarded. This is necessary to allow the application process to reflect new conditions added and consider appropriate approval conditions if additional types of accommodation are regulated.		changes to the requirements to obtain a licence.
23(5)	Welsh Ministers	Regulations	This power allows the Welsh Ministers to provide for circumstances in which they may warn a VAP that if a condition continues to be breached or is breached again they would revoke their licence, and circumstances in which a breach may be so serious as to require immediate revocation. This is necessary to ensure the revocation process retains sufficient flexibility to accommodate unusual circumstances, without leaving it fully to operational discretion.	Senedd annulment	These provisions are procedural and don't change the circumstances in which licences will be awarded or revoked.
24(2)	Welsh Ministers	Regulations	This power requires the Welsh Ministers to make regulations about remedial notices for licences. This is necessary to allow that	Senedd annulment	These provisions are procedural and don't change the circumstances in which

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			process to be sufficiently flexible to work for additional types of accommodation brought or additional licence conditions introduced to the scheme in future, whilst ensuring there is a statutory process under which licence holders have the opportunity to remedy breaches and/or make representations before their licence is revoked.		licences will be awarded or revoked.
25(2)	Welsh Ministers	Regulations	This power requires the Welsh Ministers to make provision about the renewal of licences. This allows the process to evolve and aim to be as light touch as is necessary to ensure the integrity of the licensing scheme without being overly burdensome. The power allows for offences to be created to ensure the regulations are complied with, in particular to ensure that allowing continuity of licences where a renewal application is being determined does not undermine	Senedd approval	This power includes the ability to specify offences in respect of the corresponding regulations, which should be subject to debate and scrutiny by the Senedd.

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			the integrity of the regulatory scheme.		
26(1)	Welsh Ministers	Regulations	This power allows the Welsh Ministers to prescribe additional procedure in relation to when licenses may be amended. This is necessary to ensure the scheme can operate as intended.	Senedd approval	The Senedd should have the opportunity to scrutinise and vote on changes to licence procedure as it relates to conditions of licences and the accommodation to which the licence relates, and ensure it is operating as intended.
27(2)	Welsh Ministers	Regulations	This power allows the Welsh Ministers to make provision for provisional licences. This is necessary to allow the licensing scheme to accommodate circumstances in which accommodation is being built, for example, so that providers can advertise before they are able to meet all the approval conditions but need to meet them before accepting visitors.	Senedd annulment	Changes under this power should be technical in nature, ensuring the application process works where accommodation is not operating normally at the time of application, without changing the underlying policy or standards for the licensing scheme.
37(2)	Welsh Ministers	Regulations	This power allows the Welsh Ministers to prescribe exemptions	Senedd annulment	The Senedd will have the opportunity to

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			from the requirement imposed on providers of regulated accommodation under this Part of the Bill if they have been exempted from the requirement to register under the VARL Act. This is necessary to ensure consistency between the two schemes.		debate changes for any relevant accommodation through the approval procedure for the corresponding regulations under the VARL Act. These changes are technical amendments to licensing to ensure the regime is consistent with that decision.
38(1)	Welsh Ministers	Regulations	This power allows the Welsh Ministers to set licence fees. This power is necessary to ensure fees are fair and proportionate, whilst being sufficient to cover the costs of administering the licensing scheme.	Senedd annulment	The amount of the licence fee is intended to be a consequence of the administrative cost of the scheme and the number of providers requiring a licence. The annulment procedure will allow it to be changed more easily to reflect the actual cost of the scheme.

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
39(3)	Welsh Ministers	Regulations	This power allows the Welsh Ministers to prescribe other bodies with whom they may share information for the purposes of their functions under the Bill. This is necessary to ensure that, if additional accommodation is brought into the scheme in future, or if additional conditions are added, information can be shared between relevant regulators or other partners in support of the effective operation of the regime under the Bill.	Senedd annulment	These provisions support the technical cooperation between public bodies on the regulation of relevant visitor accommodation, but do not change the principles on which the Bill is based.
40(4)	Welsh Ministers	Regulations	This power allows the Welsh Ministers to modify the licensing Chapter of the Bill for the purpose of ensuring conditions of a sort currently applicable under licensing regimes for campsites and caravan sites operate as intended if those types of accommodation are brought into the licensing regime in future.	Senedd annulment	This power is intended to ensure the correct technical operation of the Bill, not to change the policy underlying the licensing regime.
49	Welsh Ministers	Regulations	This power allows the Welsh Ministers to make provision about	Senedd approval	The Senedd should have the opportunity to

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			partnerships or unincorporated bodies. This is necessary to ensure appropriate treatment of these entities for licensing, and in light of the corresponding power in the VARL Act.		scrutinise and vote on changes to the procedures set out on the face of this primary legislation.
52(1)	Welsh Ministers	Regulations	This power allows the Welsh Ministers to make provision in relation to death, incapacity or insolvency of a visitor accommodation provider. This is necessary to ensure appropriate treatment of providers in these cases, and in light of the corresponding power in the VARL Act.	Senedd approval	The Senedd should have the opportunity to scrutinise and vote on changes to the procedures set out on the face of this primary legislation.
53(1)	Welsh Ministers	Regulations	This power allows the Welsh Ministers to make provision to support the continuity of treatment for a business which is transferred as a going concern. This is necessary to ensure appropriate treatment of providers in these cases, and in light of the corresponding power in the VARL Act.	Senedd approval	The Senedd should have the opportunity to scrutinise and vote on changes to primary legislation.

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
54(5)	Welsh Ministers	Regulations	This power allows the Welsh Ministers to specify the levels of penalty notice which can be charged as an alternative to prosecution for offences under the Bill. This is necessary to allow appropriate penalties to be charged and the regulatory regime to be effectively enforced. Levels of penalty may need to change, in particular, if different types of accommodation are brought into the scope of the scheme, or if evidence suggests they are not sufficient to support the integrity of the licensing regime.	Senedd approval	The Senedd should have the opportunity to scrutinise and vote on changes to penalties payable for offences.
56(1)	Welsh Ministers	Regulations	This power allows the Welsh Ministers to make provision which is incidental to, supplementary to, or consequential on the Bill, or to make transitional or savings provision in connection with any provision of the Bill. This is necessary to ensure the Bill can be implemented effectively.	Senedd approval if amending, modifying or repealing any primary legislation. Otherwise Senedd annulment	The Senedd should have the opportunity to scrutinise and vote on changes to primary legislation.

Table 5.2: Summary of powers to issue codes and guidance in the provisions of the Regulation of Visitor Accommodation (Wales) Bill

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
3(1)	Welsh Ministers	Code of Practice	This power allows the Welsh Ministers to issue a code of practice in relation to best practice on tourism. This is intended to support the promotion and development of tourism in Wales.	No procedure	The code of practice offers guidance on best practice but does not place additional requirements on providers of tourism services.
55(1)	Welsh Ministers	Guidance	This power requires the Welsh Ministers to issue guidance on the operation of the regulatory scheme created by the Bill. This is intended to provide clarity on the operation of the scheme, and support visitor accommodation providers and the public to understand how it works.	No procedure	The guidance is intended to offer technical detail to support people in understanding how the scheme works in practice.

PART 2 – REGULATORY IMPACT ASSESSMENT

6. Regulatory Impact Assessment (RIA) summary

A Regulatory Impact Assessment has been completed for the Bill and it follows below.

There are no specific provisions in the Bill which charge expenditure on the Welsh Consolidated Fund.

Table A

The following table presents a summary of the costs and benefits for the Bill as a whole. The table has been designed to present the information required under Standing Order 26.6 (viii) and (ix).

<i>Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill</i>		
Preferred option: Option 2 – Introduce a nationwide visitor accommodation licensing scheme underpinned by training requirements, documentary evidence of compliance and an intelligence-led and risk-based approach to enforcement in partnership with local authorities and other regulators.		
Stage: Introduction	Appraisal period: 2026-27 - 2035-36	Price base year: 2025
Total Costs (best estimate) Total: £41.84m Present value: £34.45m	Total Benefits: Unquantifiable (see page 38) Present value: Unquantifiable	Net Present Value (NPV): £-34.45m

Administrative cost

Costs:

High, low and best estimates have been included throughout this RIA to reflect uncertainties regarding the size and composition of the self-catering visitor accommodation sector in Wales, although in all cases our working assumption is that the best estimate provides a reasonable approximation of what the likely costs might be in practice. The totals in these tables reflect the best estimates.

The total transitional costs of establishing the visitor accommodation licensing scheme will be met by the Welsh Government and will be incurred during the financial years 2026-27 to 2028-29. Total estimated transitional costs range from £7.5m to £9.7m, with a best estimate of £9.16m. This total transitional cost includes development costs for a digital system with an estimated cost range of £2.92m to £4.25m, with the best estimate as £3.93m. We will examine the scope to reduce these costs through the use of Artificial Intelligence and synergies with registration of visitor accommodation.

From 2029-30 onwards, it is expected that the licensing scheme will be self-funding, with running costs met from licensing fees. Again, a range of potential direct costs from £1.2m to £2.1m per year have been estimated, with a best estimate of £1.88m considered most likely. These costs are included in the compliance cost section below.

Funding for enforcement activity will be required initially. We will seek to recover enforcement costs from non-compliant providers, including through fixed penalty notices (these have not been included in this RIA because such costs would be incurred as a result of unlawful activity). Where necessary, the Welsh Government may provide additional funding, especially in the early years - this RIA assumes that a total of £0.3m will be sufficient.

Transitional: £9.16m	Recurrent: £0.3m	Total: £9.46m	PV: £8.84m
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Cost-savings:

No administrative cost-savings have been identified.

Transitional: £0	Recurrent: £0	Total: £0	PV: £0
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Net administrative cost: £9.46m

Compliance costs for visitor accommodation providers

There will be costs for visitor accommodation providers under this scheme, including annual licence fees. They will also have to meet a training requirement every five years, with a fee payable for courses.

Our best estimate is that the total transitional costs to the visitor accommodation sector in Wales will be £5.66m incurred in 2029-30 (including assumed opportunity costs of £1.16m), followed by annual costs of £4.45m starting in 2030-31. These costs are driven to a large extent by the size of the sector, with the best estimate being based on 30,000 premises.

Our low estimate, based on 12,000 premises, is a total transitional cost to the sector of £2.27m, followed by annual costs of £1.78m. Our high estimate, based on 37,000 premises, is a total transitional cost to the sector of £6.98m, followed by annual costs of £5.49m.

It is assumed that whilst some visitor accommodation providers may choose to pass on some or all of these costs to visitors via increased charges, others may prefer to absorb them and accept reduced profit margins, although it is not possible to estimate the proportion in either case.

In addition, operators who fail to comply with the requirements of the scheme will face financial penalties – these are not included because they result from unlawful activity.

Transitional: £5.66m	Recurrent: £26.71m	Total: £32.37m	PV: £25.60m
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Unquantified costs and disbenefits

The fitness for visitor accommodation standards which providers will be required to meet are, with the exception of the insurance standard, based on existing legal obligations, so self-catering visitor accommodation providers should already be meeting these (and many will also already be meeting the insurance standard). It is possible however that some non-compliant visitor accommodation providers may leave the sector. If so, the overall amount of available self-catering visitor accommodation may decrease, which could potentially lead to fewer overnight stays by visitors to Wales – or, conversely, in improved occupancy rates for remaining providers.

It is not possible to predict what proportion of providers might prefer to leave the market rather than comply with statutory requirements. However, there is no significant evidence of the sector contracting as a result of similar licensing schemes having been introduced in other parts of the UK and beyond. Nor has the introduction of landlord licensing in the private rented sector in Wales – including requirements around smoke/carbon monoxide alarms and electrical safety certification – led to any discernible reduction in the overall size of that sector in terms of property numbers in the past decade.

Benefits

The scheme will have positive impacts for the tourism industry in Wales and for communities where the industry is concentrated, including:

- Increased awareness of, and confidence in, statutory requirements amongst visitors to Wales, supporting the visitor accommodation sector.
- Greater fairness across the self-catering accommodation sector, with confidence that licensed providers are meeting their statutory obligations, which underpins a level playing field for all providers, encouraging a more competitive market.

The standards set by the licensing scheme for these purposes will also balance regulatory incentives, particularly for market entrants, when choosing whether to operate in the holiday let or private residential markets, so property decisions are driven by factors other than perceptions of a lower regulatory burden on short term lets. This will support a sustainable relationship between tourism and communities.

It is not possible to put a meaningful financial value on benefits about quality, improving confidence and perceptions, and shaping local accommodation markets.

Total: Unquantifiable

PV: Unquantifiable

Key evidence, assumptions and uncertainties

The cost estimates included in this RIA have been informed by a range of evidence, including independent research published by the [Bevan Foundation](#), and also [Government Social Research](#), along with analysis of responses to the Welsh Government's consultation on a statutory licensing scheme undertaken by [Sglein](#).

In addition, reviews undertaken in relation to visitor accommodation licensing schemes in Scotland and Northern Ireland have informed the assumptions made in this RIA, as have proposals being considered by the [UK Government](#) for visitor accommodation provided in England.

The main uncertainty in developing the cost estimates is the paucity of reliable data on the number of self-catering lets available in Wales. As explained in the Explanatory Memorandum to the VARL Act, this lack of accurate information on the size and composition of the sector was one of the main reasons for introducing the registration provisions in that Bill.

In order to produce estimates for the purposes of this RIA, a range of sources have been considered and are referenced in the *Estimating the size of the self-catering visitor accommodation sector in Wales* section in chapter 8.

7. Options

- 7.1 The licensing provisions to be introduced by this Bill are part of a range of measures being taken by the Welsh Government in support of the Programme for Government commitment to “*Take forward actions to cap the number of second homes, bring more homes into common ownership and licence holiday lets*”, and the related Cooperation Agreement commitment to “*introduce a statutory licensing scheme for holiday lets*”. Welsh Ministers have [previously advised the Senedd](#) that they will meet these commitments during the current Senedd term by means of primary legislation which will require licensing of visitor accommodation in Wales.
- 7.2 In developing this Bill, the Welsh Government has considered the different legislative approaches taken to the regulation of visitor accommodation in Northern Ireland and Scotland, as well as proposals for a registration scheme for short term lets in England currently being developed by the UK Government. We have also drawn on the experience of Rent Smart Wales which was established as the licensing authority for the private rented sector in Wales under the Housing (Wales) Act 2014.
- 7.3 On balance, having taken into account the relative advantages, limitations, costs and effectiveness of the different approaches explored, we have concluded that a nationwide approach under Welsh Ministers (described here as a central licensing authority to distinguish this role from their many other functions) is likely to be the most robust and cost-effective delivery mechanism for a visitor accommodation licensing scheme in Wales. Other potential delivery options considered, but discounted for reasons of cost, complexity, legality or efficacy, included an arrangement whereby each individual local authority in Wales would administer the scheme within its own area (the Scottish model), or the creation of a new public body.
- 7.4 The remainder of this section of the RIA sets out three options that have been considered in detail. These include a ‘business as usual’ option, which describes the arrangements currently in place and attempts to provide a cost-neutral baseline against which the other two options can be measured. The second of the options is the preferred option: a proportionate approach to regulation which combines an assurance process based on documentary evidence of compliance and a risk-based and intelligence-led approach to enforcement in partnership with local authorities and regulatory bodies. The third option describes a more rigorous, but onerous and expensive approach to assurance and compliance, with physical inspections of all accommodation to confirm that standards are being met, and the licensing authority undertaking its own compliance and enforcement activities directly, rather than in partnership with local authorities and others.

The licensing authority

- 7.5 At this stage, we have not determined whether the licensing authority functions should be undertaken directly by Welsh Government. As part of the examination of the appropriate delivery roles, we are working with WRA to develop the interaction with the registration of visitor accommodation and the register to be maintained by them under the VARL Act.
- 7.6 The cost models set out in chapter 8 have therefore been developed independently of future decisions about the most suitable body to undertake the various functions required to deliver the licensing scheme. The choices made will take into account potential synergies and efficiencies that should reduce the costs to visitor accommodation providers, the licensing authority and others - for example in exploiting links between licensing and registration of visitor accommodation.

Option 1 – Business as usual

- 7.7 This option would retain the current position whereby providers of visitor accommodation in Wales continue to operate in the absence of a statutory licensing scheme.
- 7.8 Given that this is a 'no-change' option, there are no additional financial costs for the Welsh Government, local authorities, or visitor accommodation providers.
- 7.9 However, doing nothing would allow the current situation to persist, whereby a potentially increasing number of visitor accommodation providers in Wales may be providing accommodation that is not compliant with existing statutory requirements, which risks undermining the reputation of the sector and harming the visitor economy in Wales.
- 7.10 [Evidence](#) commissioned by the UK Government suggests that there is a lack of awareness of these requirements, particularly amongst those who have entered the self-catering letting market in recent years through online letting platforms and peer-to-peer accommodation listings services such as Airbnb and Booking.com. [Research](#) conducted in Wales also confirms that the majority of visitors who stay in this type of accommodation are unaware that there is currently no scheme in place in Wales to support compliance with these requirements, but would be more confident in booking such accommodation if a legal requirement were placed on providers to comply.
- 7.11 Given this lack of awareness of existing statutory obligations amongst both visitor accommodation providers and visitors, it is reasonable to suppose that a proportion of self-catering visitor accommodation in Wales is not compliant with the relevant statutory requirements, but that this accommodation is not coming to the attention of local authorities or other

regulatory bodies via reports or complaints from visitors. This assumption is supported by the recent review of the short term let licensing scheme in Scotland, which reported high numbers of incomplete licence applications, where out of date evidence relating to gas, electrical or fire safety had been provided, or it had taken applicants significant time to provide such evidence, indicating that some were not routinely meeting these safety standards previously.

- 7.12 Furthermore, any local authority or other regulator wishing to take a proactive approach to compliance and enforcement with existing requirements currently has no ready means of identifying properties being used as self-catering visitor accommodation, other than by trawling online platforms to identify any properties in their geographical area with negative reviews which suggest that statutory requirements may not be being met. Whilst the register of visitor accommodation providers being established under the VARL Act will, in time, identify registered providers and accommodation, it will not in itself improve compliance with standards and statutory requirements.
- 7.13 In short therefore, whilst the ‘business as usual’ option does not create any additional costs for visitor accommodation providers, local authorities or visitors themselves, doing nothing would allow the current situation, in which there is both a lack of awareness of existing statutory obligations, and no easy means of identifying and addressing non-compliance, to persist. This not only means that some well-intentioned operators may unwittingly be providing accommodation which is potentially hazardous, it also enables unscrupulous individuals, who knowingly offer substandard accommodation, to undercut providers who *have* taken the actions necessary to ensure their accommodation is compliant.
- 7.14 This option would also perpetuate the current regulatory disparity between the private rented sector and the short term let sector, which landlords’ representatives and campaigning organisations have contended is a factor in incentivising property owners to move from the long-term rental sector to the short term let market. This would in turn continue to exacerbate pressures on the availability of affordable housing in areas of high tourism demand.
- 7.15 Finally, with schemes already in place in [Northern Ireland](#) and [Scotland](#), and with the UK Government having recently confirmed its intention to introduce a visitor accommodation scheme in [England](#), doing nothing would mean that Wales would remain the only devolved nation – and, once the scheme in England becomes operational, the only part of the UK – without a legally-based scheme. Such a situation is unlikely to inspire confidence amongst would-be visitors, or potential investors in the sector and could adversely affect our economy.

Option 2 (preferred option) – Introduce a nationwide visitor accommodation licensing scheme underpinned by training requirements, documentary evidence of compliance, and an intelligence-led and risk-based approach to enforcement in partnership with local authorities and other regulators

7.16 Under this preferred option, a single licensing authority would be responsible for the scheme throughout Wales. The licensing authority's role would include:

- processing licence applications and issuing licences – working alongside WRA to ensure join-up with registration of visitor accommodation and a streamlined service for visitor accommodation providers;
- identifying and investigating potential non-compliance with licensing requirements, in partnership with local authorities and other regulators; and
- enforcing licensing requirements, including where necessary issuing penalties, and revoking licences and undertaking prosecutions in cases of avoidance or non-compliance.

7.17 The following paragraphs describe each element of the licensing authority's functions in detail.

Managing the licensing process

7.18 As explained in Chapter 3 of the Explanatory Memorandum above, once the relevant provisions of this legislation come into force, any operator wishing to provide self-catering visitor accommodation in Wales will be required to be licensed for each premises at which that accommodation is to be provided.

7.19 To obtain a licence an applicant would be required to meet a training requirement. This training will explain the conditions that must be met in order to be licensed as set out in legislation and supporting guidance. The training requirement will be developed in consultation with stakeholders, including consideration of accreditation for experienced providers. For the purposes of this assessment, the following assumptions have been made:

- The default will be for training to be completed online, with a classroom-based option available for those who require or prefer an in-person approach;
- Initial training will take no more than half a day (approx. 3½ hours) and a training fee in the region of £25 will be payable;

- “Refresher” training will be required every five years, which is likely to be shorter in length and subject to a lower fee than the initial training module; and
- Depending on the delivery model adopted for training, fee income from the training courses will be used to defray the costs of developing and updating training resources as necessary and delivering the courses. Any surplus would be used to offset the operational costs of the licensing scheme.
- The licence applicant would be required to confirm the accommodation they are applying to licence is registered (the VARL Act will require all visitor accommodation to be registered).
- The applicant would also be required to provide evidence that the premises meets the specific fitness standards, as follows:
 - The electrical maintenance standard - by means of a valid electrical condition report, and a record of any work required as a result having been undertaken;
 - The fire prevention standard - with a fire safety risk assessment for the accommodation, and functioning hard-wired interlinked smoke alarms on each floor;
 - Where gas is supplied, the gas maintenance standard is met - by means of a valid gas safety report, and a record of any work required as a result of the inspection having been undertaken;
 - Where there is a gas, oil-fired, or solid fuel appliance, the carbon monoxide risk is addressed - through the provision of carbon monoxide detector(s) in working order in the relevant room(s); and
 - The insurance standard is met - through a public liability insurance policy to cover any damages or injuries to third parties (i.e. visitors, or members of the public) that may occur at the premises.

7.20 Evidence of compliance with these requirements will need to be provided at the point of initial application, and updated by the licensee as necessary thereafter. It is anticipated that this will be achieved by the provision electronically of relevant certificates, reports or other evidence such as receipts, invoices or photographs, which will be checked by the licensing authority. This approach should be straightforward for most applicants, but it is more robust than an alternative assurance arrangement, such as self-certification, requiring providers to demonstrate that they meet the requirements.

7.21 If the licensing authority is satisfied that the requirements are met, it will issue the applicant with a licence for the relevant accommodation, generally valid for a year. The licensing authority may also seek further

information to satisfy itself before reaching a decision. The licensee would be required to ensure that the licensed accommodation complies with the above requirements, including updating the evidence when appropriate.

- 7.22 A licensee wishing to renew their licence would be able to do so via a streamlined renewal process.

Identifying non-compliance

- 7.23 The licensing authority would be responsible for ensuring that licensees comply with the requirements of the licensing scheme. As well as checking documentary evidence provided as part of licensing applications, this would be delivered through a combination of risk-based compliance and evidence-led enforcement activities, including:

- **reactive** investigation of reports or complaints received from visitors, neighbours, local authorities, WRA, professional bodies, etc. regarding potential non-compliance with licensing requirements; and

- **proactive** engagement, including for example with online travel agencies, through monitoring of listings platforms to identify negative customer reviews which suggest that licence conditions may not be being met, so that investigatory and if necessary enforcement action can be taken.

- 7.24 The licensing authority would have powers to seek further evidence from the visitor accommodation provider and powers to inspect where required. In some cases, the authority may refer the investigation to other regulators. In general, for self-catering accommodation, we would expect the licensing authority to work in partnership with local authorities but - as is the case with Rent Smart Wales – we expect that the licensing authority would reimburse such additional activity undertaken on its behalf.

- 7.25 In instances of non-compliance - whether that be a failure to comply with the requirement to be licensed, or where a visitor accommodation provider *is* licensed but is failing to comply with the conditions of their licence – we expect the licensing authority to take a ‘stepped’ escalatory approach to enforcement, designed to encourage and support compliance. For example, in the first instance the authority could provide information and advice to a provider identified as being unlicensed and encourage them to comply or face sanction. Similarly, where licensed accommodation is reported as being non-compliant with licence conditions, or is confirmed as such following investigation, the licensing authority would be required to first take steps to encourage compliance before revoking a licence, unless the nature of the breach was considered so serious as to pose a significant risk of harm.

Enforcement

- 7.26 Should initial informal engagement and encouragement fail to achieve compliance, the licensing authority would have the ability to issue an

information notice (which *requires* a recipient to provide relevant information). Failure to comply with an information notice within a specified time would be punishable by a fine.

- 7.27 The licensing authority might also find it necessary to visit a premises, for instance, where it has been reported that the premises poses a risk of harm or injury to a visitor and it has not been possible to satisfactorily resolve the matter otherwise.
- 7.28 Where offences are committed, the Bill creates powers for penalty notices to be issued instead of prosecution. The receipts from these fixed penalty notices should cover the authority's enforcement costs, but if it is insufficient, the Welsh Government may need to top up the receipts. This RIA assumes that the Welsh Government may have to provide funding of up to £0.1m in each of 2029-30 to 2031-32.
- 7.29 Where an accommodation provider breaches licence conditions and does not take the remedial steps specified by the licensing authority, the authority will be able to revoke the licence for the affected accommodation.

Option 3 – Introduce a visitor accommodation licensing scheme supported by a rigorous assurance, compliance and enforcement regime delivered solely by the licensing authority

- 7.30 Rather than the preferred 'lighter touch' licensing approach proposed in option 2 above, this third option would also require the licensing authority to undertake a physical inspection of all visitor accommodation to confirm compliance with relevant statutory requirements before a licence was issued or renewed.
- 7.31 Whilst this approach would add further assurance in terms of compliance with statutory requirements and reduce the element of risk inherent in the preferred option's reliance on documentary evidence, physical inspections would not provide any guarantee that accommodation inspected on a particular date and found to be compliant at that time would necessarily remain compliant throughout the licensing period.
- 7.32 In terms of compliance and enforcement, rather than the arrangements described in option 2, whereby the licensing authority would be expected to enter into arrangements with local authorities to undertake inspections and, where necessary, issue improvement or prohibition orders, under this option the assumption is that the licensing authority would do so in its own right. To deliver these functions the licensing authority would have to employ its own environmental health inspectors to investigate reports of non-compliance and potentially even enforcement officers in the event that an emergency order was required.
- 7.33 Arrangements of this type would, in comparison to the preferred option, be more labour-intensive and therefore expensive for the licensing authority to

deliver, and more burdensome on licence applicants/licensees, which would result in higher fees than those anticipated under the preferred option in order to provide sufficient resource. It would also be potentially inconvenient or intrusive for visitors staying at the accommodation (avoiding inspections taking place at a time when the accommodation was occupied would require significant coordination). For these reasons this option has not been taken forward for further analysis.

Conclusion

- 7.34 In considering options, the Welsh Government has taken into account the potential effectiveness and risks - as well as the proportionality and likely costs - of the various approaches explored. On balance, we have concluded that option 2 is likely to achieve a sufficiently robust licensing scheme which is not overly burdensome to applicants, and which is financed by reasonable fee levels.
- 7.35 In reaching this conclusion, lessons have been learned from recent reviews of equivalent schemes already in place in Northern Ireland and Scotland.
- 7.36 For example, the Northern Ireland scheme involves physical inspections, which are time-consuming. The licensing scheme in Scotland is administered by each local authority within its own area. It is not a requirement that a physical inspection of the accommodation be undertaken, nor does the legislation require documentary evidence of compliance with safety requirements. Local authorities can, however, request documentary evidence of compliance, or undertake visits if they consider either to be necessary “where there is a complaint or a risk is identified”. The August 2024 implementation report on that scheme noted feedback from visitor accommodation providers which suggested that many in the sector would prefer “a central application point with one application form and a set application fee, rather than each licensing authority having different forms, licensing policies and fee levels”. There were also concerns around the lengthy time taken to process applications, especially for new hosts where they cannot take bookings or receive guests until they have obtained a licence. Conversely, some local authorities have requested that the legislation be amended to allow the processing period for new hosts to be increased.
- 7.37 The evidence from these two approaches has led the Welsh Government to conclude that if we are to maximise levels of engagement and compliance with a licensing scheme in Wales, it will be important to avoid creating application and assurance processes that are considered by the sector to be overly burdensome and time-consuming, or on the other hand a regime that is perceived to be ineffective and which is potentially easily avoided due to lack of enforcement. We are confident that our preferred option strikes the right balance between:

- a proportionate approach to application and assurance requirements;
- a visible, intelligence-led and effective enforcement regime; and
- reasonable fees which provide sufficient revenue for the licensing authority to undertake a meaningful amount of compliance activity in addition to processing applications and renewals, and for the scheme to become fully self-funding.

8. Costs and benefits

Assumptions

- Costs and benefits have been assessed over a 10-year appraisal period, running from 2026-27 to 2035-36.
- All aggregate costs and benefits have been rounded to the nearest ten thousand pounds, but costs to individual visitor accommodation providers have not been rounded. Some of the totals in tables may not sum due to this rounding.
- Costs and benefits have been discounted using HM Treasury's central discount rate of 3.5%.
- There will be a single national licensing authority.
- Welsh Government funding will be provided during 2026-27 to 2028-29 to support set-up of the licensing scheme.
- It is anticipated that development costs will largely require capital whilst the on-going operational costs will be revenue.
- Rollout of the licensing scheme will begin during the financial year 2028-29 with licences being required in 2029-30.
- The running costs of the licensing scheme will be met through licence fees, set on a cost recovery basis. Receipts from fixed penalty notices will be used to cover the licensing authority's enforcement costs.
- Costs have been estimated based on experience of similar schemes, where available. However, exploiting AI and digital functionality may reduce operational costs, and the burden on visitor accommodation providers, but possibly require additional funding for development.
- The estimates are based on the overall number of self-catering premises and accommodation providers remaining constant.

Estimating the size of the self-catering visitor accommodation sector

- 8.1 The obvious challenge in estimating the size of the sector is the paucity of reliable data currently available regarding both the number of self-catering lets available in Wales and the number of operators responsible for that accommodation. As has been acknowledged during the passage of the VARL Act, the registration requirements in that legislation will, over time, provide a much clearer picture of the size and composition of the sector in Wales. However, in the absence of such data, the cost assumptions in this

RIA have been informed by reference to the following sources.

- 8.2 The low estimates in the Costs to Visitor Accommodation Providers section of this RIA are based on data published in the *Summary of Wales Bedstock Data* [Bedstock data](#) in August 2022. The Bedstock data was collected by local authorities in Wales using a standard questionnaire and definitions. The survey identified 12,145 self-catering accommodation establishments in Wales (a 72% increase in self-catering accommodation since 2013). This figure includes cottages and chalets, as well as houses, bungalows and flats. The fact that the number of establishments recorded in the Bedstock survey is significantly lower than the other sources considered in the following paragraphs illustrates the limitations of a traditional questionnaire-based survey approach in engaging with a rapidly changing sector which is predominantly informal, largely unregulated, and operates almost exclusively via third party online platforms rather than established business practices. The 2022 summary report acknowledges these limitations, stating that “*alternative data collection methods are being researched for future accommodation bedstock surveys to achieve a more complete and timely picture of visitor accommodation supply*”. Therefore, whilst the bedstock survey figures have been used to inform the low estimates included in this RIA, these figures should be treated with caution as they are likely to be significantly lower than the actual size of the sector.
- 8.3 Another source of information is the [Non-Domestic Rates \(NDR\)](#) list, which shows 9,270 rateable properties on the list in Wales on 31 March 2025. Not all self-catering holiday lets will qualify for NDR rather than Council Tax, for example where the property does not meet the threshold number of days, or where someone is letting out their main residence for a short period, so this does not provide an estimate of the total number of holiday lets.
- 8.4 We also considered the Welsh Government’s [Second Homes: what does the data tell us?](#) report, published in June 2023. This publication included an estimate of the total number of unique properties advertised as short term lets in Wales in 2022 at 33,367.
- 8.5 A more recent source of data is the *Lighthouse Hosts, listings and bed spaces of short-term lets through online collaborative economy platforms, UK*, which estimates the number of short term lets in self-contained premises (excluding rooms in shared properties) in Wales as of June 2025 at 37,357 via [Visit Britain](#). However, closer interrogation of Lighthouse data previously identified that around 20% of listings had not been let in the previous 12 months and mostly represented accommodation advertised for major events and not subsequently removed.

- 8.6 Finally, we considered the latest edition of the *ONS analysis of short term lets listed on online collaborative economy platforms (Airbnb, Booking.com and Expedia)* [Hosts listings and bedspaces of short term lets](#) which provides an estimate of the number of short-term lets in Wales of 50,700 at low season (January) to a high season peak of 56,440 in August. These figures include individual rooms as well as entire properties, but exclude “*other forms of accommodation, such as hotels or campsites*”. However, unlike the Lighthouse data above, this data source does not de-duplicate across booking channels, so this number will be an overestimate.
- 8.7 Despite differences in the estimates of the number of premises, all of the above sources record significant growth in the sector over recent years (although the number of properties registering for NDR has now levelled off – likely due to recent changes in eligibility). Research conducted by Inside Airbnb in 2022 on behalf of the Bevan Foundation also recorded a 45% increase in short term let listings in Wales between 2018 and 2022. In comparison, the number of hotels, guest houses and other leisure accommodation remained stable from 2013-14 to 2022-23, with roughly 600 hotels and 800 guest houses listed each year. However, the highly variable nature of the short term lets market, with properties coming on to the market and dropping off frequently throughout the year, makes it difficult to accurately predict future market behaviour based on historical trend data.
- 8.8 Developing an accurate estimate of the number of *providers* of self-catering visitor accommodation in Wales is still more challenging. Of the above sources, only the ONS includes estimates of the number of ‘hosts’. The most recent of these [ONS releases](#), for the calendar year 2023, estimated that there were 22,040 ‘hosts’ providing short term visitor accommodation in Wales in January of that year, with the trend showing a gradual increase through the year to 26,990 in December. However, the ONS release notes that there is likely to be duplication in these figures because some hosts may be advertising on multiple channels and as such “*these should be seen as an upper bound, and the number of unique hosts may be much lower*”.
- 8.9 The research conducted by Inside Airbnb on behalf of the Bevan Foundation identified that 56% of short term lets in Wales were managed by hosts with two or more separate listings (a figure which included individuals as well as professional management agencies). That same research also identified that a significant number of short-term lets in Wales were listed by a relatively small number of professional agencies (for example, seven agencies with more than 100 properties each were identified - some 26% of the total number of listings). The data published by the ONS supports an assumption that a ‘typical’ provider has two self-

catering visitor accommodation premises, with the number of listings consistently averaging just over double the number of identified 'hosts'. We accept that this is a significant simplification, given the wide variation.

Conclusion

- 8.10 Given the limitations in available data described above, and the resultant uncertainties regarding the size and composition of the sector in Wales, three sets of cost estimates have been provided in the *Costs to Visitor Accommodation Providers* section of this Regulatory Impact Assessment below:
- a low estimate based on an assumption of 12,000 self-catering visitor accommodation premises in Wales, as per the Bedstock survey figure;
 - a high estimate of 37,000 based on the most recent Lighthouse figures; and
 - a best estimate of 30,000, based on the Lighthouse figures but reduced to take account of the 20% of 'ghost listings' previously identified.
- 8.11 In relation to each of these estimates, we have further assumed that a typical operator in Wales is responsible for two self-catering visitor accommodation premises. This equates to a low estimate of the number of operators of 6,000; a high estimate of 18,500, and a best estimate of 15,000 operators.
- 8.12 Whilst the inclusion of low and high estimates in the following sections of this document result in a wide range of potential costs, our working assumption is that the best estimate provides a reasonable approximation of what the likely costs might be in practice. This best estimate also recognises that whilst the actual number of self-catering premises and operators may be higher than the Lighthouse estimate, it's possible some infrequent providers of accommodation will choose to leave the sector once the licensing scheme is introduced.
- 8.13 For this assessment, we have assumed the numbers of properties and providers does not change over time: better data will be available following registration, and any growth or reduction is likely to be within our low to high ranges.

Transitional Costs

Costs to the Welsh Government

- 8.14 There will be transitional costs funded by the Welsh Government in relation to the staffing and infrastructure required to establish the licensing scheme and support its roll out, including the development of guidance and a communications campaign ahead of the licensing requirements coming into force to raise awareness of the scheme amongst providers, visitors, and the wider public.

Cost of setting up the licensing scheme

- 8.15 The underlying digital solution will be a key component of the transitional costs. This will be determined following scoping of the system requirements by a systems architect and in conjunction with decisions about undertaking the licensing authority functions. The costs of setting up an IT system can vary significantly from early estimates. Hence the cost estimates below will be refined over the coming year. Data security and resilience will be a key factor in reaching this decision, as well as value for money.
- 8.16 The digital solution for the licensing scheme will exploit potential synergies with WRA's visitor accommodation registration system, so there are expected to be efficiencies in WRA also developing the licensing system. Alternatively, the licensing authority might procure a tailored system from the market, which may take longer due to procurement timelines.
- 8.17 On the whole, these transitional costs are not significantly affected by the numbers of accommodation providers, representing more of a fixed cost regardless of the scale. Instead, the key drivers of the IT infrastructure cost include the scope of the system, for example the extent to which it automates the processing of applications, and the availability of specialist staff rather than a dependency on contractors.
- 8.18 The estimates below assume a mix of in-house staff - including additional recruits - and contractors with specific IT skills to build the required digital systems, although these posts will only be necessary during the set-up phase. Costs have been estimated based on experience of similar schemes, where available. However, exploiting AI and digital functionality may reduce operational costs and the burden on visitor accommodation providers, but possibly increase the development costs, requiring additional funding for development.
- 8.19 The following tables set out low, high, and best estimates for this set-up phase. Our expectation is that the best estimate provides a reasonable approximation of the transitional costs. However, we acknowledge the uncertainty in these costs at this stage, and they will be refined through discovery and design work to further scope the requirements for delivering the digital system.

Table 1 – Low estimate

Transitional Cost £'m	2026-27	2027-28	2028-29	Total
Infrastructure Development	1.22	1.40	0.30	2.92
Revenue				
IT-related costs	0.36	0.36	0.38	1.10
Develop Provider training	-	0.05	-	0.05
Campaigns & Communication	0.10	0.10	0.15	0.35
Licensing Authority staff costs	-	-	0.66	0.66
Total Revenue Costs	0.46	0.51	1.19	2.16
Opportunity Costs (WG staff)	1.08	1.16	0.19	2.43
TOTAL COSTS	2.76	3.06	1.68	7.50

Table 2 – High estimate

Transitional Cost £'m	2026-27	2027-28	2028-29	Total
Infrastructure Development	1.94	1.91	0.40	4.25
Revenue				
IT-related costs	0.41	0.41	0.44	1.25
Develop Provider training	-	0.08	-	0.08
Campaigns & Communication	0.10	0.10	0.20	0.40
Licensing Authority staff costs	-	-	1.29	1.29
Total Revenue Costs	0.51	0.59	1.93	3.02
Opportunity Costs (WG staff)	1.08	1.16	0.19	2.43
TOTAL COSTS	3.52	3.66	2.52	9.70

Table 3 – Best Estimate

Transitional Cost £'m	2026-27	2027-28	2028-29	Total
Infrastructure Development	1.78	1.81	0.35	3.93
Revenue				
IT-related costs	0.39	0.39	0.42	1.19
Develop Provider training	-	0.08	-	0.08
Campaigns & Communication	0.10	0.10	0.20	0.40
Licensing Authority staff costs	-	-	1.13	1.13
Total Revenue Costs	0.49	0.57	1.75	2.80
Opportunity Costs (WG staff)	1.08	1.16	0.19	2.43
TOTAL COSTS	3.34	3.53	2.29	9.16

Other costs

- 8.20 The licensing authority will develop training materials and guidance for visitor accommodation providers before the launch of the scheme. The estimates include £50k - £80k in 2027-28 for this work.
- 8.21 Visitor accommodation providers subject to the licensing requirements will need to be made aware of the policy, timescales involved and what action is required of them. There will be a need for sustained communications during the critical implementation period, including explaining the requirements of the scheme in advance of go-live so that accommodation providers can ensure their premises meet the required standards and that they have the necessary evidence.
- 8.22 The licensing authority will use a mix of existing communication channels such as public relations activities, newsletters, social media, and direct engagement with the tourism industry, to ensure comprehensive dissemination of information, but will also incur costs for paid communication channels. The assessment allows £100k in 2026-27 and 2027-28, and £150k to 200k in 2028-29 for a public awareness campaign, comprehensive audience research, strategic channel selection and evaluation, and the licensing authority will work with Visit Wales and WRA to ensure value for money. Once providers have completed registration, the licensing authority should have the opportunity to communicate directly with them.
- 8.23 Effective communications will ensure high levels of voluntary compliance, reduce enforcement costs and maintain positive industry relations.

Staff costs – licensing authority

- 8.24 The licensing authority will recruit and train its operational staff in advance of the launch of the scheme. The resources needed will be refined in the light of the processing time required (which will in turn depend on the digital solution and also the volume of premises to be licensed). This variation is discussed in the *Recurrent Costs* section below, as it has relatively little effect before the launch of the scheme.

Staff costs – Welsh Government

- 8.25 The transitional costs above include the Welsh Government's own staff costs, for example in developing the policy and initial implementation plans and supporting Ministers through the passage of the Regulations associated with the Bill. These are opportunity costs, because the staff are already employed but could otherwise work on other priority areas. These costs are shown in the tables above.

Costs to visitor accommodation providers

- 8.26 Operators wishing to provide self-catering visitor accommodation in Wales will incur additional one-off opportunity costs when the provisions of this legislation come into force. These will include familiarising themselves with

the legal requirements of the scheme and undertaking training; ensuring accommodation is compliant with licensing requirements and completing the application process, including uploading documentary evidence such as certificates. Although some of these activities will be recurrent for providers who operate on a regular or ongoing basis, the time taken to submit subsequent annual licence renewal applications and upload new certificates, or to undertake 'refresher' training thereafter will be shorter, and therefore the associated costs to operators lower, than those incurred initially. The relevant paragraphs in the *Recurrent Costs* section below reflect these distinctions.

- 8.27 The following requirements have been identified as necessary for an operator wishing to licence self-catering visitor accommodation for the first time. An indicative costing has also been included in relation to each.

Provider time spent in familiarisation with the requirements of the licensing scheme and completing mandatory training

- 8.28 By the time the licensing requirements in this Bill come into force, visitor accommodation providers should already have registered in accordance with the requirements of the VARL Act. The database of registered visitor accommodation providers and accommodation will enable the licensing authority to proactively contact registered providers in good time ahead of the licensing requirements in this Bill coming into force to alert them to the need to be licensed and the timescales within which they are required to submit their applications, as well as directing them to the licensing authority's online information, training and licensing portal.
- 8.29 The applicant will need to meet the training requirement before a licence can be issued. Where they need to undertake training, they will be charged a fee. Whilst it will be for the licensing authority or other training provider to set its own fees, we expect the initial training to be shorter and the fees lower than the £35 currently paid by private landlords for training required under the Renting Homes Wales scheme. For the purposes of this RIA we have included an estimated training fee of £25 per applicant.
- 8.30 There will also be opportunity costs for applicants in relation to their time. We anticipate a total of four hours, based on an assumption that an applicant accessing the licensing portal for the first time will take on average 30 minutes to familiarise themselves with the purpose and requirements of the scheme and to book an online training session, plus a further 3½ hours to complete the training module. We therefore estimate the opportunity cost to be in the region of £65 based on an 'average hourly earnings' figure of £16.33 per hour (based on the Median gross hourly earnings for 'Hotel and accommodation managers and proprietors' at the UK level of £16.33, from the ONS Annual Survey of Hours and Earnings 2024), giving a total cost per applicant of £90.

Initial application

- 8.31 The setting of fees, both levels and structure, will be a matter for the licensing authority, based on the powers in the Bill. However, for the purposes of providing illustrative estimated costs, this assessment is based on the same

annual fee for each self-catering visitor accommodation premises being licensed, regardless of whether that is on initial application. For the first years of the operation of the scheme we expect the average fee for self-catering visitor accommodation to be in the region of £75 per annum per premises, as explained below.

- 8.32 When submitting a licence application for the first time, applicants will be required to upload to the licensing portal, in relation to each premises being licensed, evidence that the specific fitness standards are met, for example appropriate public liability insurance cover. Our expectation is that electronic copies of relevant policy documents, certificates, reports, or other evidence such as receipts, invoices and photographs of relevant installations will be accepted by the authority as proof of compliance, and the Bill will allow for any future changes in requirements and information and communication technologies to be incorporated.
- 8.33 As with the training requirement, we recognise that, in addition to the fee itself, there will be opportunity costs to applicants in terms of the time required to locate and upload relevant documentation and complete the application process. Based on evidence from similar licensing and accreditation schemes elsewhere, we anticipate that for an applicant completing an application for the first time, the process - including uploading documents - will take around 30 minutes for a single premises, and approximately 15 minutes for each additional premises thereafter (albeit that some applicants will take longer and some a shorter amount of time to complete the process). Based on the average hourly earnings figure of £16.33, this equates to an opportunity cost of just over £8 for an applicant licensing a single premises; £12 for two premises, and £29 for six premises.

Public liability insurance

- 8.34 Amongst the licensing conditions to be introduced by this Bill is a requirement on providers to evidence that they are compliant with existing statutory obligations in relation to gas, electrical, and fire safety (see below for further details). The Bill also includes a requirement that public liability insurance is in place for licensed accommodation. Our expectation is that in many cases insurance cover will already be in place. For example, several of the most popular listings platforms, including Booking.Com and Airbnb, include liability insurance in their membership costs. However, for those providers who do not currently have suitable insurance policies – and for new entrants to the sector after these provisions have come into force who are not covered by complimentary insurance - this will be an additional cost. Cover typically costs around £200-£300 per year for basic building and contents insurance plus public liability insurance, with more comprehensive policies costing around £500 - £800 per year. Based on our understanding that 75% of providers promote their accommodation via online platforms (see paragraph 3.19), and the fact that the most popular listings platforms, including Booking.Com and Airbnb, include liability insurance in their membership costs), for the purposes of this RIA, we have assumed that 75% of providers will already be covered, and for the remainder the average cost for two premises will be £500 per year. This is a significant component of the costs

imposed on providers by the scheme, but will safeguard visitors and improve visitor confidence, and of course the policy should benefit the provider if faced with a claim.

Potential total costs for a typical visitor accommodation provider

- 8.35 We estimate that for a typical operator with two self-catering visitor accommodation premises, with insurance already in place, the combined cost of fees for training and licence application of £175, plus related opportunity costs of £78, would amount to some £253. For a provider not already holding public liability insurance, we assume an average policy cost (for two premises) of £500 per year.
- 8.36 Estimates of annual licence fees, insurance, and fees for training refreshers at five-year intervals, are included in the *Recurrent Costs* section below.

Estimated overall cost to the sector

- 8.37 Low, high and best estimates of the transitional costs to the self-catering visitor accommodation sector in Wales of this scheme are provided here:
- Our **low estimate**, which assumes that 12,000 visitor accommodation premises are licensed by 6,000 providers in the first year, is **£2.27m**.
 - Our **high estimate** assumes that 37,000 premises are licensed in the first year by 18,500 providers, giving a cost to the sector of **£6.98m**.
 - Our **best estimate** assumes that 30,000 premises are licensed in the first year by 15,000 providers, which gives a cost to the sector of **£5.66m**.
- 8.38 All these estimates assume that 25% of providers will not already have insurance cover and that the additional annual cost of insurance for those providers will be £500.
- 8.39 Our expectation is that the best estimate provides a reasonable approximation of the likely transitional costs to the sector. Some of these costs may be incurred during 2028-29, but we expect most costs to be incurred during 2029-30 when licensing for self-catering accommodation becomes mandatory.

Recurrent Costs

- 8.40 There will be ongoing operational costs for the licensing authority once the licensing system goes live.
- 8.41 There will also be costs to providers of self-catering visitor accommodation in Wales, which will vary according to a number of factors, as set out below.

The licensing authority

- 8.42 Beyond the initial set up costs described above, the licensing authority will incur ongoing operational costs in managing the scheme once the requirements come into force. These costs will be for activities including delivering training directly, or quality assuring materials developed by other training providers; processing licensing applications; and compliance and enforcement activities.
- 8.43 As outlined above, investigation of suspected failure to comply with licensing requirements and conditions - along with any actions taken to address non-compliance where it is confirmed - will be undertaken by the licensing authority in partnership with relevant local authority housing and/or environmental health services and other appropriate regulatory bodies as part of their current functions on a cost-recovery basis.
- 8.44 Over time it is expected that the costs of operating the scheme will be fully covered by licensing fees, with the costs of any necessary enforcement actions expected to be met from associated fixed penalties, although the Welsh Government may need to top this up, especially initially. The licensing authority will be required to set its fees in accordance with the Provision of Services Regulations 2009, and will be able to determine an appropriate fee structure as well as the necessary levels of charges. Until such time as the licensing scheme is fully self-funding, fees will be set at a level which reflects best estimates of the costs of the scheme.
- 8.45 Table 4 and the paragraphs below provide an illustrative overview of the cost of administering applications:

Table 4: Operational Costs of the Licensing Authority in 2029-30

£'m	Low	Best	High
Staff Costs	0.82	1.47	1.66
Non-staff Costs	0.38	0.42	0.44
TOTAL COSTS	1.20	1.88	2.10

- 8.46 These staff costs are based on estimated processing times from Rent Smart Wales, and factor in differences in the number of premises, methodology, and level of compliance checks. The actual costs will vary depending on the bodies undertaking the functions of the licensing authority and the degree of automation it is possible to incorporate into the assurance systems. Whilst the costings in this RIA are based on an assumption of manual checks, it is our ambition to make use of Artificial Intelligence as far as possible to check the documentation submitted. We have begun an exercise to scope the possibilities and will update the estimates once that is completed.
- 8.47 Costs may also vary according to the volume of licensed premises and visitor accommodation providers. The likely staff costs are based on 30,000

premises, and an assumed total team of 30-35 staff. This range should also be sufficient for the high estimate of 37,000 premises. A much smaller team of around 15, would be needed for the low estimate of 12,000 premises, with a corresponding reduction in costs.

- 8.48 Non-staff costs will include contact centre equipment for the helpdesk and IT support, development, hosting and security costs. These costs are relatively fixed, irrespective of the volume of licensed premises.

Estimating the annual licensing fee

- 8.49 Given the uncertainties described above in relation to the amount of self-catering visitor accommodation in Wales and the number of providers, the following estimates of potential annual licensing fees are included on an indicative basis only.
- 8.50 This RIA identifies direct marginal costs to the licensing authority. In order to give a reasonably cautious illustration of the licence fee in 2029, we have made an allowance for inflation over the next four years and included an element for contingencies.
- 8.51 Based on our best estimate of 30,000 visitor accommodation premises being licensed within the first full year of the scheme coming into force, we anticipate that a budget of around £2.25m would be sufficient to cover the processing of licence applications and renewals in 2029-30. It would also enable the authority, working with statutory partners, to undertake a range of visible compliance activities - these latter functions will be key in providing assurance to visitor accommodation providers and visitors alike that the scheme is effective and worthwhile.
- 8.52 The Bill provides a regulation-making power for the Welsh Ministers to set, and adjust over time, the licence fees, including different fees for different circumstances. The licensing authority will consult stakeholders before these regulations are made. For this RIA, focusing on self-catering accommodation, we have assumed a simple annual fee structure for each visitor accommodation premises. Given the assumed cost recovery model for operational costs, the licence fee is particularly sensitive to the volume of accommodation. We therefore illustrate separately the effect on the fee of various volumes.
- 8.53 Based on a budget of around £2.25m (after allowing for inflation and contingencies), and our low, high and best estimates of the numbers of self-catering visitor accommodation in Wales as set out above, with a simple fee structure of the same charge for every premises, the average annual licensing fee per premises might be:

- Based on the **low estimate** of 12,000 self-catering visitor accommodation premises being licensed, **£188**.
- The **high estimate** of 37,000 premises would require **£61**.
- Our **best estimate** of 30,000 self-catering visitor accommodation being licensed would mean an annual licensing fee of **£75** per premises.

8.54 Our expectation is that, within this range, the best estimate provides a reasonable estimate of the likely annual licensing fee when the scheme first becomes operational.

8.55 Given the uncertainties in the number of premises to be licensed and the costs of the scheme, the table below illustrates the required annual licensing fee to fully cover any given level of operational costs. This is purely illustrative: we would not anticipate the extreme combinations, for example of high operational costs and the low number of premises.

Table 5: Illustrative annual licence fee

Indicative Operational Costs	Number of premises		
	12,000	30,000	37,000
£1.5 million	£125	£50	£41
£1.75 million	£146	£58	£47
£2 million	£167	£67	£54
£2.25 million	£188	£75	£61
£2.5 million	£208	£83	£68

8.56 For the purposes of the RIA, we have assumed a simple annual licence fee of £75 from 2029. However, registration will provide a more accurate assessment of the overall size and composition of the self-catering visitor accommodation sector in Wales, and once relevant data becomes available it will be used to inform more precise costings ahead of the licensing scheme coming into force. The licensing authority could set a more complex structure, for example a lower renewal fee in return for a higher initial charge.

Visitor Accommodation Providers

Potential costs for a typical visitor accommodation provider

8.57 Once the provisions of this Bill come into force, any operator wishing to provide self-catering visitor accommodation in Wales will be required to meet the requirements of the licensing scheme on an ongoing basis.

8.58 An operator entering the self-catering visitor accommodation sector in Wales for the first time after this legislation has taken effect will incur the initial

familiarisation, training and licensing costs set out above. Whilst these will be one-off costs rather than recurrent, they are referenced here on the basis that they will be incurred by new providers in future as part of their wider set-up costs.

8.59 Licences are generally expected to be valid for a year. For providers wishing to retain their licence beyond that, recurrent costs will be incurred in relation to the following:

- **Licence review or renewal** – Our expectation is that there will be a straightforward online process, with the licensee required to confirm or update relevant information held on the licensing system in relation to both themselves and the accommodation, and to pay the attendant fee. This will take less time than the initial application, so we estimate that the overall cost to a typical licensee with two self-catering premises, including opportunity costs, will be £154 per year, based on a renewal fee of £75 per premises and an average annual 15 minutes of opportunity cost in time taken to review and/or update licensee or accommodation details as necessary, and to complete the online renewal application every year.
- **Keeping licensing information up to date** – Licence holders will need to ensure that the information held by the licensing authority in relation to their accommodation is kept up to date. For example, that the authority is provided with current insurance documents or safety certificates as these are renewed. We estimate that a typical visitor accommodation provider with two premises will take a combined total of approximately 30 minutes per year to upload copies of these documents via the online licensing portal, incurring an annual opportunity cost of £8.
- **Refresher training** – Providers must meet a training requirement. For this RIA, we have assumed they will be required to complete ‘refresher’ training once every five years. The training will remind licensees of the purpose and requirements of the scheme, as well as providing information on any recent legislative or operational changes that are relevant to the scheme (for example, changes to legal requirements or best practice). We expect the refresher training to be shorter in length and for the fee to be lower than for the initial training. For the purposes of this RIA we estimate that the cost to licensees when averaged out over a five-year period will be just under £10 per year, based on an assumption that the fee will be £15 and the opportunity costs for completing the training (expected to be approximately two hours) will be around £33.
- **Public Liability Insurance** – Amongst the licensing conditions to be introduced by this Bill will be a requirement on providers to evidence that they are compliant with *existing* statutory obligations in relation to gas, electrical, and fire safety. The Bill will also include an *additional* requirement that public liability insurance is in place for licensed accommodation. As discussed above, our expectation is that in many cases suitable insurance cover will already be in place, given that several of the most popular listings platforms, including Booking.Com and Airbnb,

include liability insurance in their membership costs. However, where providers do not have appropriate insurance policies, this will be an additional requirement. We have assumed that 75% of providers will already be covered, and for the remainder the average cost for two premises will be £500 per year.

8.60 The estimated total annual costs to a typical provider with two premises are therefore expected to be in the region of £172, rising to £672 for those without insurance (based on an additional annual cost of £500 for public liability insurance cover).

Estimated overall cost to the sector

8.61 Low, high, and best estimates of the recurrent costs to the self-catering visitor accommodation sector in Wales of the requirements of this scheme are set out in the following paragraphs.

8.62 All three estimates assume that the overall number of licensees and premises will remain constant. We believe that a 'steady state' assumption is reasonable for the purposes of this section of the RIA for the following reasons:

- The short term lets market is inherently variable in nature, with properties coming on to the market and dropping off frequently throughout the year;
- Not all providers will wish to renew their licence;
- Whilst the sector has experienced rapid growth in recent years, some evidence appears to suggest that in certain areas the market may already be reaching saturation point; and
- It is not possible to predict with certainty how the requirements of this Bill, and related Welsh Government legislation and policies, as well as external factors outside the control of the Welsh Government, might affect the future size or trajectory of the sector.

8.63 Based on average annual costs per licensee of £172, plus a proportion requiring insurance, our **low estimate** of the overall cost to the sector, which assumes that a total of 12,000 visitor accommodation premises continue to be licensed by 6,000 providers is **£1.78m** per year.

8.64 Our **high estimate**, which assumes that a total of 37,000 premises continue to be licensed by 18,500 providers, gives a total cost to the sector of **£5.49m** per year.

8.65 Our **best estimate**, which assumes that 30,000 premises continue to be licensed throughout the first five years of the scheme by 15,000 providers, gives a total cost to the sector of **£4.45m** per year.

- 8.66 All these estimates assume that 25% of providers will not already have appropriate insurance cover and that for those providers the average cost of insurance per year will be £500. As explained above, this is a significant component of the costs to providers (over 40%), but it will safeguard visitors and improve visitor confidence, as well as supporting providers if they do face a claim.
- 8.67 Whilst, for the reasons set out above, all of these estimates should be regarded with caution, our expectation is that within this range the best estimate provides a reasonable approximation of the likely annual costs to the sector.
- 8.68 The scheme is intended to go live in 2028-29, with the training and system available to providers by autumn 2028, and the scheme in full operation by spring 2029. Thus, these recurrent annual costs to providers are assumed to occur from 2030-31.
- 8.69 These recurrent costs (and the transitional costs above) are shown as falling to accommodation providers for the purposes of this RIA. In reality, accommodation providers may opt to either absorb the additional cost or attempt to pass on at least part of the additional cost to their customers in the form of higher accommodation charges. The extent to which businesses will be able to pass the costs on will depend on customer's price sensitivity and competition in the local sector. At this stage, the ultimate incidence of the cost is uncertain but there will be an economic cost.

Compliance with premises-related licensing conditions

- 8.70 Any operator currently providing self-catering accommodation should already be compliant with the licensing conditions relating to gas and electrical safety, smoke and carbon monoxide alarms, and fire safety risk assessment – as these reflect existing statutory requirements. Therefore, for the many responsible operators who already comply with these requirements, the only additional costs the licensing scheme will impose are the fees and time for licence application or renewal and training, and – in some instances – public liability insurance - as set out above.
- 8.71 We recognise, however, that some providers will not currently be compliant, and that operators entering the sector in future, after the provisions of this Bill have come into force, will incur expenses in ensuring that premises are compliant with all relevant licence conditions. Expenses incurred by operators will vary according to a range of factors including the size, characteristics and current condition of each premises, and crucially also the extent to which the requirements are already being met. There is currently no data available on the characteristics of premises or levels of compliance with the existing statutory obligations. The following estimates have therefore been included only as illustrative examples of what a provider might reasonably expect to pay in relation to each of the licensing

requirements, along with associated opportunity costs where relevant:

Gas maintenance report – A provider will be responsible for ensuring a valid gas safety check record is in place for any licensed self-catering accommodation. The average cost of a gas maintenance inspection in the UK ranges between £60 - £90 for a premises that has one boiler and one gas hob or fireplace. Additional gas appliances are typically charged at £10 each.

Electrical inspection report - The cost of an electrical inspection will vary according to a number of factors including the size of the accommodation and the complexity of the electrical installations present, as well as the hourly rates charged by local electricians. Taking into account these variables, we estimate that the average cost of an electrical inspection will be in the region of £100 - £250.

Smoke alarms - Providers are responsible for ensuring that any licensed self-catering accommodation is fitted with a functioning smoke alarm – mains-powered if the premises has a mains electricity supply. If the accommodation has more than one floor, an alarm must be fitted on each floor and all alarms interlinked. The average cost of installing a wired alarm system is £200, although costs will vary according to the size, location and characteristics of the accommodation.

Carbon monoxide alarms – Providers are responsible for ensuring that a functioning carbon monoxide detector is present in any room where there is a gas, oil-fired, or solid fuel appliance. The average cost for professional installation of a battery-powered carbon monoxide alarm is £90, and £175 for a hard-wired alarm, although costs will vary according to the size, location and characteristics of the accommodation. The actual costs may be much lower for some providers (battery powered carbon monoxide alarms are provided free of charge by some booking platforms, and are relatively inexpensive to buy and fit otherwise).

Fire safety assessment – Providers are responsible for ensuring that a fire safety risk assessment is undertaken and documented in accordance with the Welsh Government's [Guide to making your guest accommodation safe from fire](#). As is the case with the other licensing requirements listed above, the actual costs incurred by individual providers will vary depending on factors such as the size and characteristics of the accommodation. However, we estimate, based on feedback from providers who have completed assessments, that for an individual undertaking an assessment for the first time, and based on a 2-3 bed house or flat, the process will take a maximum of one hour to complete, which equates to an average opportunity cost of £16.

8.72 In total, for a new provider entering the sector with a single premises, the costs of complying with existing requirements average £556:

- Gas inspection costs of £75;

- Electrical inspection costs of £175;
- Smoke alarm installation costs of £200;
- Carbon monoxide alarm installation costs of £90; and
- Fire safety risk assessment opportunity cost of £16.

8.73 This section illustrates the costs of bringing a premises into compliance. These costs are included here for the purpose of transparency but have not been included in the overall costs of the Bill because they represent costs which will be incurred by operators in order to comply with *existing* statutory obligations. They are not additional costs arising from this Bill.

Potential costs to Local Authorities and Regulatory Bodies

8.74 The licensing authority will seek to recover enforcement costs from non-compliant visitor accommodation providers, including through revenues from Fixed Penalty Notices. Where this is insufficient, the Welsh Government may provide additional funds for enforcement. This overall funding will be available to reimburse local authority housing/environmental health services on a cost-recovery basis for any activities they undertake in relation to visitor accommodation suspected or confirmed as being non-compliant with licensing requirements.

Summary of total overall costs

8.75 The following table summarises the cost estimates set out in the preceding sections of this RIA and provides a total overall cost of the Bill. This includes all transitional and recurrent costs to the Welsh Government and transitional and recurrent costs to the visitor accommodation sector in Wales. It does not include the costs some accommodation providers may incur in complying with existing statutory requirements. It is the Welsh Government's view that any expenses incurred by operators who are not currently compliant with existing statutory obligations should not be considered as additional costs. Nor does it include the costs (and revenues to the licensing authority) from fixed penalty notices or prosecutions.

Table 6: Total overall estimated costs

	2026-2027	2027 - 2028	2028-2029	2029-2030	2030-2031	2031-2032	2032-2033	2033-2034	2034-2035	2035-2036	Total £m
Licensing Authority											
Transitional costs	2.26	2.37	2.10	-	-	-	-	-	-	-	6.73
Operational costs	-	-	-	1.88	1.88	1.88	1.88	1.88	1.88	1.88	13.18
Funded by licence fees	-	-	-	-1.88	-1.88	-1.88	-1.88	-1.88	-1.88	-1.88	-13.18
Net Licensing Authority costs	2.26	2.37	2.10	-	-	-	-	-	-	-	6.73
Welsh Government											
Opportunity costs	1.08	1.16	0.19	-	-	-	-	-	-	-	2.43
Enforcement Top Up				0.10	0.10	0.10					0.30
Total Welsh Government costs	1.08	1.16	0.19	0.10	0.10	0.10	-	-	-	-	2.73
Visitor accommodation providers											
Transitional costs	-	-	-	5.66	-	-	-	-	-	-	5.66
Ongoing costs	-	-	-	-	4.45	4.45	4.45	4.45	4.45	4.45	26.71
Total costs to visitor accommodation providers	-	-	-	5.66	4.45	4.45	4.45	4.45	4.45	4.45	32.37
Total overall estimated costs	3.34	3.53	2.29	5.76	4.55	4.55	4.45	4.45	4.45	4.45	41.84

Conclusion

- 8.76 The purpose of this Bill is to support tourism in Wales. It does this by reassuring visitors that accommodation meets the standards they would expect and promoting responsible tourism by providing a clear regulatory regime of consistent standards for visitor accommodation.
- 8.77 The Bill ensures those operators providing accommodation which already meets the required statutory requirements do not continue to be put at a commercial disadvantage by competitors who, whether unwittingly or knowingly, operate without regard to these requirements, and who - as a result of lower overhead costs - are able to undercut providers who already meet all the necessary requirements. This will lead to a better-functioning visitor accommodation market, in which visitors can be confident. We believe that the majority of providers are responsible and wish to operate in a fair and properly regulated market, and that the relatively modest licence fee anticipated is reasonable to achieve that.
- 8.78 The licensing scheme imposes requirements which are similar to the private rented sector to achieve these aims. A secondary benefit of this is that the short-term visitor accommodation sector should not be perceived as a less heavily regulated alternative to letting property in the long-term rental sector. Property owners will factor the obligations of the scheme into future decisions about their property, and our expectation is that their decisions will not then be driven by the respective licensing requirements, but by other factors. This will help support sustainable tourism by balancing its benefits with the impacts on the housing needs of local communities.

9. Affordability Assessment

- 9.1 Whilst the RIA considers the full range of costs and benefits for the Bill, this affordability assessment is a purely financial assessment. As such, only cash costs and cash-releasing benefits are included. Opportunity costs have also been removed.
- 9.2 The affordability assessment considers the same time period as the RIA, 2026-27 to 2035-36, and has been conducted by Welsh Government to determine whether the Bill is affordable for the organisation.
- 9.3 The cash costs in this assessment have been adjusted to reflect anticipated inflation during the appraisal period. This adjustment has been made on the basis of the GDP deflator projections included in the Office for Budget Responsibility (OBR) Economic and Fiscal Outlook which was published in March 2025³⁷. The OBR's projections extended only to 2029-30. Since the forecasts flatten out at around 1.9% towards the end of the OBR's forecast period, this rate has been assumed to hold for the remainder of our appraisal period. Although inflation is now relatively stable, there remains a degree of uncertainty as to its future path. The Welsh Government will continue to monitor the impact of inflation on the financial costs of the Bill.
- 9.4 There will be costs associated for both development and administration of the licensing scheme. Development or 'set-up' costs will be financed through the normal annual budget processes within Welsh Government. This includes the development and building of digital services, the resourcing of new teams, and the development of new products such as training and guidance. Our best estimate of these anticipated costs, as set out in RIA, is summarised in the table below.

³⁷ [CP 1289 – Office for Budget Responsibility – Economic and fiscal outlook – March 2025](#)

Table 7: Cash costs to Welsh Government

Transitional Cost £m	2026-27	2027-28	2028-29	Total
CAPITAL				
Infrastructure Development	1.78	1.81	0.35	3.93
REVENUE				
IT-related costs	0.39	0.39	0.42	1.19
Develop Provider training	-	0.08	-	0.08
Campaigns & Communication	0.10	0.10	0.20	0.40
Licensing Authority staff costs	-	-	1.13	1.13
Total Revenue Costs	0.49	0.57	1.75	2.80

- 9.5 As set out in the RIA, our intention is that once the licensing scheme is established, ongoing operational costs will be met by licence fees set on a cost recovery basis. As a result, there will be no ongoing net cost to Welsh Government budgets at this point. These recurring costs are anticipated to be approximately £2m per year, but this estimate will be refined ahead of the scheme coming into force.
- 9.6 There is a risk that unanticipated costs arise during a year and/or changes in the number of accommodation providers mean that licence fees do not fully cover the operational costs of licensing. Similarly, there is a risk that any costs recovered for enforcement action may not be available within the same financial year as the action took place. If these scenarios arise, the Welsh Government may need to cover the remaining administrative costs. As an indicative assumption, the RIA has allowed £100k pa for the first three years of licensing (2028-29 to 2030-31) towards enforcement costs.
- 9.7 These costs and risks will need to be considered in future budget processes, particularly the transitional set-up costs. However, they are expected to be affordable in the context of the overall Welsh Government budget.

10. Impact Assessments

- 10.1. Specific impact assessments were undertaken during policy development which cover the whole of the Bill. A summary of the impacts is outlined below and specific impact assessments will be published as appropriate. Specific assessments were undertaken to understand the effects of the Bill on the following areas:
- Children's Rights;
 - Equality;
 - Data Protection;
 - Rural Proofing;
 - Welsh Language;
 - Biodiversity;
 - The Socio-Economic Duty;
 - Health; and
 - Justice System
- 10.2. A Competition Assessment Filter was also conducted. While it was deemed no further assessment was necessary, the filter is summarised in this chapter.

Children's Rights

- 10.3. The Children's Rights Impact Assessment considers the Bill's impact on children and young people in line with the United Nations Convention on the Rights of the Child (UNCRC).
- 10.4. The following are the main points emerging from that assessment:
- **Impact on children as visitor accommodation providers (VAPs):** Whilst children (under 18) cannot be the legal owner of real property in England and Wales, they are able to enter into certain contracts or be a company director from the age of 16, meaning that a child could technically be a VAP. However, the likely prevalence of this is extremely limited, and consequently the impact on children in these circumstances is considered to be negligible.
 - **Impact on children living with VAPs:** The licence conditions include mandatory requirements for premises, including safety matters. This will mean the standards of the premises will be maintained or improved, and in turn this means that they should be fit for the child to live in, where the visitor accommodation is also their home.
 - **Impact on children as guests:** Families and young people staying in licensed accommodation gain reassurance of standards, though may face slight cost increases if fees are passed to consumers. These are likely marginal when spread across bookings.
- 10.5. In summary, then, the impact of the Bill is considered to be negligible, but primarily positive.
- 10.6. The Bill's impact on children will continue to be evaluated during, and post-implementation, with adjustments made if disproportionately negative effects are identified.

Equality

- 10.7. The Equalities Act 2010 places a General Equality Duty on Welsh Ministers to have 'due regard' to a range of requirements which relate to removing or minimising disadvantages for people with or who share protected characteristics and to remove barriers to participation.
- 10.8. The full Equality Impact Assessment sets out our consideration that the Bill will not have strongly differential impacts according to people's protected characteristics as described in the Equality Act 2010.
- 10.9. We considered that the implementation of the licensing scheme would need to consider the accessibility of digital services to older and/or disabled people, and that additional support may be required in some cases.
- 10.10. We also considered the composition of the tourism workforce, in which young people, women and people from minority ethnic backgrounds are overrepresented. The licensing scheme is intended to support tourism in Wales, so the overall impact for these groups should be positive. However, it is possible these groups will be disproportionately affected if some occasional providers of visitor accommodation choose to leave the sector rather than engaging with the scheme.
- 10.11. The Bill's provisions have been carefully assessed, and we are satisfied that they are compatible with the European Convention on Human Rights. This has included consideration of Article 1 Protocol 1 (protection of property), Article 6 (right to a fair trial) and Article 8 (right to respect for private and family life).

Data Protection

- 10.12. A Data Protection Impact Assessment has been carried out as the Bill introduces new data collection and processing of personal and special category data, in particular in the processing of licence applications, recording of licences and making information available to the public about licences awarded, revoked and/or exemptions.
- 10.13. Operational processes for licensing and publication of the directory of visitor accommodation will be subject to further screening of the impacts on data protection.
- 10.14. The majority of personal data processed for the purposes of licensing will have been collected by WRA for the purposes of the register created in the VARL Act. However, where VAPs need to provide additional information specifically for licensing, such as in support of a licence application or to demonstrate compliance with licence conditions, the operational data protection assessment will consider processes for managing and safeguarding this data.
- 10.15. The Bill also allows information to be shared by and with other regulators, including WRA, local authorities and fire and rescue authorities, to support the effective operation of the licensing scheme and regulatory coordination. The data protection safeguards for sharing and processing such information will need to be considered further as operational processes are developed.

Rural Proofing

- 10.16. Tourism plays a major role in the economy of rural Wales. Tourism impacts rural communities economically, socially, and environmentally, with both positive effects such as job creation and income generation, and negative effects such as increased living costs and environmental damage. In some communities, it is likely that the sector is having a direct impact on the availability of housing for local people, with properties leaving the residential market to become visitor accommodation.
- 10.17. Employment in tourism varies regionally, with Mid Wales having the highest proportion. Rural businesses face challenges like disproportionate impacts of inflation, higher energy and transport costs, and recruitment difficulties. Rural tourism is often family-run and linked to local agriculture, providing an additional source of income for some families.
- 10.18. The Bill aims to support tourism in Wales, which will benefit communities which rely on the sector economically, whilst also better aligning the regulation of visitor accommodation with the regulation of the private rented sector. This will help mitigate the current risk that for some property owners it may seem easier to operate a short-term let than to offer a long-term tenancy.
- 10.19. The tourism sector is characterised by many small or micro-businesses. The administration associated with licensing may be more burdensome for these businesses, especially those with limited digital connectivity. Our intention is for the licensing scheme to be as straightforward as we can make it for accommodation providers, whilst being robust enough to achieve its objectives, so we expect this effect to be limited. However we will continue to monitor this as the scheme is implemented, in case issues arise.

Welsh Language

- 10.20. Our Welsh Language Impact Assessment considered the Bill's effects on the Welsh language and culture. Overall, the policy is unlikely to directly affect Welsh language services but offers opportunities to promote Welsh through bilingual training for accommodation providers and bilingual service delivery.
- 10.21. One of our priorities for the visitor economy is to highlight the distinctiveness of our culture and the Welsh language. We want visitors to feel this and for Welsh culture and language to enrich their experiences. The licensing scheme and associated guidance and training have the potential to promote the Welsh language and culture in visitor accommodation, aiming to enrich visitor experiences and support local communities.
- 10.22. Tourism, culture and language are closely interlinked. In many Welsh speaking communities, the tourism sector provides the accommodation, facilities and infrastructure that enable people to work and gain valuable skills in their local communities.
- 10.23. In Welsh language heartlands, a significant proportion of accommodation and food service workers speak Welsh, with higher percentages in north and mid Wales. Tourism businesses report regular use of Welsh, particularly in North Wales. We will develop systems and content in both languages and work with users to make sure the services are fit for purpose.
- 10.24. While the licensing scheme does not directly address housing supply or affordability, it may help mitigate the risk that for some property owners it may seem easier to operate a short-term let than to offer a long-term tenancy. In turn, this may help manage the growth of holiday lets, which can threaten the Welsh language by pricing out local residents.

Biodiversity

- 10.25. The Bill has been assessed for its potential environmental and biodiversity impacts within the context of sustainable tourism and natural resource policies in Wales. The Bill itself does not directly affect the environment or biodiversity, but it could indirectly influence tourism demand and business sustainability practices, which may have secondary environmental effects.

The Socio-Economic Duty

- 10.26. The socio-economic duty assessment evaluates the anticipated impacts of the Bill on socio-economic inequalities and disadvantaged communities. It examines demographic, economic, and digital trends to understand how such a policy might influence tourism, employment, and local communities.
- 10.27. There are significant gaps in Welsh tourism data, particularly regarding socio-economic breakdowns of workers and owners, which limits precise impact analysis. However, there are some communities, particularly in rural and coastal areas, which are socio-economically disadvantaged and particularly economically reliant on tourism.
- 10.28. The tourism sector features lower median pay compared to the national average. A significant proportion of the workforce, for example, particularly younger workers people with disabilities, and women experience low pay and insecure employment, often seasonal in nature.
- 10.29. Wider factors such as weather, disposable income and competition from other destinations will influence visitor and employer behaviour, making precise economic impacts of the Bill difficult to predict. However, the Bill is intended to support Wales' visitor economy, so the overall impacts for these communities should be positive.
- 10.30. There may be some VAPs who lose additional income streams if they choose to stop operating visitor accommodation rather than engage with the licensing scheme. We expect such cases to be relatively minor, as the scheme is intended not to be overly burdensome so, if a VAP is generating significant income from their visitor accommodation, the incentive would be for them to continue operating. However, we will consider carefully if evidence emerges that licensing is having a detrimental impact on socio-economically disadvantaged people and/or communities.
- 10.31. The Bevan Foundation concluded in their report on holiday lets and the private rented sector in Wales, that: *In Airbnb hotspots it appears likely that the sector is having a direct impact on the availability of rental properties for low-income tenants.* ([Bevan Foundation: Holiday lets and the private rental sector](#)). The Bill aims better to align the regulation of self-catering visitor accommodation with that of the private rented sector, for the purpose of maintaining and improving the standard of that accommodation. This should also help address concerns that for some property owners it may seem easier to operate a short-term let than to offer a long-term tenancy.

Health

- 10.32 The Bill has no direct health impacts. Secondary impacts are intertwined with broader socio-economic and environmental factors, making measurement difficult. However, positive effects on accommodation standards, economic conditions and public health communication if necessary are expected to outweigh potential negatives such as pollution and potential environmental damage from increased tourism.

Justice System

- 10.33. We have completed and shared with the Ministry of Justice a Justice System Impact Identification Form, which identified a low potential impact. The Lady Chief Justice's Department has also been consulted on the anticipated impact the Bill will have on the justice system.
- 10.34. The Bill creates new offences associated with avoiding the requirements of the licensing scheme, with powers for penalty notices designed to limit the need for recourse to the criminal courts, with prosecution only where this is absolutely necessary to support the integrity of the licensing scheme.
- 10.35. Our intention is to take a 'stepped', escalatory approach to enforcement designed to encourage and support compliance, so that in the first instance the licensing authority would educate providers who commit offences to ensure they are aware of the requirement for a licence, encourage them to apply for a licence and explain the penalties which could apply if they do not.
- 10.36. We expect this to be sufficient to incentivise compliance in most cases. The system is designed to be as straightforward as possible for accommodation providers whilst being robust enough to deter non-compliance and ensure the integrity and thus effectiveness of the licensing regime. This should ensure that in almost all cases VAPs seek a licence rather than face penalties or prosecution.
- 10.37. As a result, we anticipate the number of penalties issued will be low and the number of cases ending up in the courts being extremely low.
- 10.38. This assessment is reflected in the experiences of the Scottish and Northern Irish regulatory regimes for visitor accommodation. These schemes take a similar approach to incentivising compliance and we understand no prosecutions have taken place in Scotland since their scheme went live in 2022, nor in Northern Ireland since their scheme was introduced in 1992. However, as the Bill regulates visitor accommodation in a new way, the anticipated impact on the justice system is uncertain and will be subject to further consideration as the scheme is implemented.
- 10.39. The Bill will also create new rights of appeal to the First-tier Tribunal for VAPs against decisions of the licensing authority. However, the Bill sets out licensing procedures in the expectation that, wherever possible, issues will be resolved between the authority and the VAP to support compliance so, again, we expect few cases to reach this point and don't expect there to be a significant impact on the Tribunal's caseload.

Competition Assessment

Summary

10.40 The competition assessment filter has primarily been applied to the sector of visitor accommodation providers (self-catering accommodation). Additional consideration has also been given to sectors connected with self-catering visitor accommodation including

- Online travel agencies
- Self-catering holiday accommodation booking agents
- Self-catering holiday accommodation property management companies
- Self-catering holiday accommodation accreditation services

10.41 Having conducted the competition assessment filter, we do not believe there to be any detrimental effects on competition within the visitor accommodation (Self-catering accommodation) sector, or any other sector considered. A further detailed assessment is not deemed necessary. The results of the filter are presented below along with brief narrative of reasoning or clarification where appropriate.

Sector 1 – Visitor Accommodation providers (self-catering accommodation)

The competition filter test	
Question	Answer yes or no
Q1: In the market(s) affected by the new regulation, does any firm have more than 10% market share?	No
Q2: In the market(s) affected by the new regulation, does any firm have more than 20% market share?	No
Q3: In the market(s) affected by the new regulation, do the largest three firms together have at least 50% market share?	No
Q4: Would the costs of the regulation affect some firms substantially more than others?	No, see note
Q5: Is the regulation likely to affect the market structure, changing the number or size of firms?	Possibly, see note
Q6: Would the regulation lead to higher set-up costs for new or potential suppliers that existing suppliers do not have to meet?	No

The competition filter test	
Question	Answer yes or no
Q7: Would the regulation lead to higher ongoing costs for new or potential suppliers that existing suppliers do not have to meet?	No
Q8: Is the sector characterised by rapid technological change?	No
Q9: Would the regulation restrict the ability of suppliers to choose the price, quality, range or location of their products?	Yes

Q4 note: The regulation may cost some firms more than others, however, this will be proportionate to the scale of their operation. For example, it may be that larger firms with more premises for short term let will be subject to higher total fees. The other variable in cost to firms is how much they need to spend to bring premises into compliance, however it is likely that those firms with premises already in compliance will have already borne these costs, so this variability is insignificant for the purposes of the competition assessment.

However, it is worth noting that accommodation affected by the regulation competes with other types of visitor accommodation which will not, at least initially, be subject to the same requirements. The initial roll-out of the regulation is being targeted at the accommodation about which concerns are most often raised in relation to their compliance with existing statutory obligations. This is therefore not expected to have a distortive impact on competition, except to the extent it reduces the ability of regulated accommodation to undercut their competitors by not complying with their safety obligations. Should unexpected impacts emerge within the visitor accommodation market, or the impact be greater than expected, we will be able to extend regulation to other types of accommodation to support a fair and competitive market.

Q5 note: There is a possibility that a minority of businesses may choose not to bear the cost of bringing their premises to a safe standard as required by the licence. They may choose to leave the market. The legislation may, therefore, improve competition by ensuring basic safety standards are applied in all accommodation removing the "cheat's advantage". It will increase incentives to compete on quality considerations such as guest comfort, facilities, and unique selling points.

Q9 note: An aim of the Bill is to reinforce the minimum standards of a premises being safe and legally compliant. In this way it will restrict the ability of suppliers to provide unsafe or non-compliant accommodation. There will be no restriction on the price, location or range of products that can be supplied.

Consideration of related sectors

In addition to the completed filter above, consideration has also been given to related sectors which may be indirectly affected by the legislation. These include:

- Online travel agencies;
- Self-catering holiday accommodation booking agents;
- Self-catering holiday accommodation property management companies; and
- Self-catering holiday accommodation accreditation services

While it was not deemed that there would be detrimental effect on competition within any of these sectors, the following observations were made.

The sectors are not currently characterised by rapid technological change, however, that has been the case over the last ten to fifteen years as the sectors almost entirely transitioned online. Thus, it is possible that technology could again change the way the sector works in an unexpected way.

It is possible that the new requirements for self-catering accommodation encourage owners to use property management companies more often. This could potentially mean an increase to number of firms and therefore improve competition.

Self-catering holiday accommodation accreditation services were considered as the Welsh Government are aware that at least one firm are providing accreditation based on safety compliance, in a similar manner to that which will become a statutory requirement if the Bill passes. We do not expect the Bill to significantly affect competition within the sector, as any voluntary accreditation is likely to be above the requirements of the law and therefore still able to set premises apart, and visitor accommodation providers will often seek accreditation with more than one body.

11. Post implementation review

- 11.1 This Bill introduces a statutory licensing scheme for visitor accommodation in Wales. We are developing a detailed implementation plan to operationalise the scheme, of which a post implementation review of the scheme delivered by the Bill will form part.
- 11.2 The Welsh Government will conduct the post implementation review no later than five years after the legislation has come into force. It is expected that the formal review process will commence once the scheme has been in place for a year.
- 11.3 The objectives of the review will include:
- assessment of the effectiveness of the licensing scheme introduced by the Bill in achieving its objectives;
 - a comparison of the costs and benefits set out in this Regulatory Impact Assessment, and the realised costs and benefits;
 - an evaluation of the impacts of the Bill; and
 - an evaluation of the measures taken to implement the Bill and their effectiveness in achieving the objectives of the Bill.
- 11.4 Full details of the review are to be determined. We will work with key stakeholders to design and develop the post implementation review of the legislative changes, as well as a review of the delivery of the statutory licensing scheme. Our delivery plan will include a framework for monitoring and evaluation. We will work with stakeholders to develop appropriate methods for collecting evidence to enable evaluation and will report on progress.
- 11.5 The review will consider feedback, for example from visitor accommodation providers, principal regulators, visitors, booking agents, and other stakeholders.
- 11.6 This evaluation will include a review of the integrated impact assessment. The review will consider whether there have been any identifiable impacts on the tourism sector, and assess whether amendments are needed to any guidance supporting the implementation of the scheme.
- 11.7 With input from stakeholders, we will establish key performance indicators (KPIs) for the scheme, together with clear operational metrics that can be subsequently measured, compared, and reported on. The post implementation review will be expected to measure

progress against these. This is likely to include metrics such as compliance rates and administrative efficiency.

- 11.8 It is important to note the limitations of any post implementation review in the context of a sector which has been subject to several recent interventions, as well as operating against the backdrop of world events and wider economic and market forces. Any review will be necessarily limited insofar as the wider economic, political and social context in which the legislation is operating. It is likely to be extremely challenging to attribute any impact on the visitor accommodation sector to any specific intervention.

Annex 1

DEVELOPMENT OF TOURISM AND REGULATION OF VISITOR ACCOMMODATION (WALES) BILL

EXPLANATORY NOTES

INTRODUCTION

These Explanatory Notes are for the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill that was introduced to Senedd Cymru on 3 November 2025. They have been prepared by the Welsh Government in order to assist readers of the Bill. The Explanatory Notes should be read in conjunction with the Bill but are not part of it.

These notes do not provide a comprehensive description of the contents of the Bill. Where a provision of the Bill does not seem to require explanation or comment, none is given.

SUMMARY AND BACKGROUND

The purpose of the Bill is to promote the development of tourism in Wales. It does this by:

- restating and modernising the Welsh Ministers' functions of promoting tourism in Wales, while requiring them to have regard to the potential social impact of tourism and its potential impact on the environment and the Welsh language;
- regulating the provision of visitor accommodation in Wales by:
 - introducing a licensing regime to reassure visitors that accommodation meets the standards they would expect and aligning those standards, in the case of self-catering accommodation, more closely with corresponding standards already applicable to the private rented sector in Wales,
 - making a standard in relation to the fitness of visitor accommodation a contractual requirement, and

These notes refer to the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill which was introduced into Senedd Cymru on 03 November 2025

- building on the register created by the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 to establish a visitor accommodation directory for the purpose of providing information to the public about visitor accommodation in Wales.

For the purpose of making Welsh law more accessible, the Bill creates a code of law on tourism, incorporating the provisions of the Bill itself and those of the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025. Subordinate legislation made in due course under the Bill or that Act will also form part of the code.

The Bill is made up of 60 sections, organised into five Parts and Two Schedules:

Part 1 provides an overview of the Bill.

Part 2 sets out Welsh Ministers' responsibilities in relation to the promotion and development of tourism in Wales.

Part 3 is concerned with the regulation of certain types of visitor accommodation in Wales, including through the introduction of a licensing scheme.

Part 4 establishes a directory of visitor accommodation in Wales, and sets out requirements for the inclusion of information regarding registration (under the Visitor Accommodation (Register and Levy) (Etc.) Wales Act 2025) and licensing in any marketing or advertising of visitor accommodation in Wales.

Part 5 sets out miscellaneous and general provisions, including in relation to the operation of the Bill in special cases.

Schedule 1 lists amendments made by the Bill to the Development of Tourism Act 1969.

Schedule 2 lists amendments made by the Bill to the Visitor Accommodation (Register and levy) Etc. (Wales) Act 2025 and the Tax Collection and Management (Wales) Act 2016.

COMMENTARY ON SECTIONS

PART 1 - INTRODUCTION

Section 1 – Overview

1. This section introduces the Bill. Subsection (1) is a statement about the status of the Bill as part of a code of Welsh law. This statement has been included to improve the accessibility of the law in Wales and is an approach that will be adopted in Acts that contain a comprehensive statement of the primary legislation on a topic.
2. This declaration of status is intended to help persons interested in the law on a particular topic – tourism in this instance – find and classify it more easily. The reference to the Bill’s status has been included with a view to subordinate legislation made under the Bill making identical provision. The Welsh Government’s intention is that primary, secondary and tertiary legislation (mostly guidance) will in future be categorised and published as coherent codes of law.
3. Classifying Bills in this way is consistent with the recommendation made by the Law Commission in its report *Form and Accessibility of the Law Applicable in Wales* (Law Com No 366, 2016). That report acknowledged the importance for the accessibility of the law in maintaining the integrity of the law. Giving an Act the status of a code is intended to encourage a move away from a situation where the law on a particular topic is spread across a number of separate pieces of primary legislation. Rather, the intention is that future Senedd Bills are enacted and maintained in a way that allows users of legislation to find as much of the law affecting a particular topic as possible by reading a single Senedd Act or subordinate legislation made under it.
4. Subsections (2) to (9) provide a summary of each Part and Chapter of the Bill.

PART 2 – DEVELOPMENT OF TOURISM

Section 2 – Tourism development functions of the Welsh Ministers

5. This section describes the responsibilities of the Welsh Ministers in relation to the development of tourism in Wales.
6. Those responsibilities are currently set out in the Development of Tourism Act 1969, as modified by the Tourism (Overseas Promotion) (Wales) Act 1992.
7. Subsections (1) and (3) are a restatement of the promotion of tourism functions from the 1969 Act, whilst subsection (2) makes explicit the

requirement that the Welsh Ministers, have regard to mitigating the social and environmental impacts of visitors, and maintaining and promoting use of the Welsh language when exercising their development of tourism functions.

8. Subsection (5) refers to section 3 of the 1969 Act, under which the British Tourist Authority may prepare a scheme under which financial assistance may be given by the Welsh Ministers and others for projects to provide or improve tourist facilities in Great Britain.

Section 3 – Code of practice on tourism

9. This section enables the Welsh Ministers to produce a code of practice on best practice in relation to tourist amenities, facilities and services, and the provision of visitor accommodation in Wales.

Section 4 – Amendments to enactments on tourism

10. This section adds an amendment to the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 to make clear that that Act also forms part of a code of Welsh law relating to tourism. The section also introduces Schedule 1 of the Bill which amends the 1969 Act to reflect the incorporation of provisions as they relate to the promotion of tourism in Wales into this Bill, and confirms that the Tourism (Overseas Promotion) (Wales) Act 1992 is repealed by this Bill.

PART 3 – REGULATION OF VISITOR ACCOMMODATION

CHAPTER 1 – KEY CONCEPTS

Section 5 – Meaning of regulated visitor accommodation

11. This section introduces the term “regulated visitor accommodation”. Visitor accommodation has the same meaning as in section 2(1) of the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025), excluding accommodation listed in section 29(2)(b) of that Act, which covers accommodation provided in certain circumstances by public bodies, including for homelessness, immigration, asylum, bail or probation purposes.
12. Only certain types of visitor accommodation will be subject to the requirements of this Bill. It is necessary therefore to clearly describe the accommodation types that are within the scope of the Bill, and those which are not.
13. Section 5 does this by listing the characteristics which accommodation must have in order to be considered “regulated

visitor accommodation”: namely, it must be self-contained self-catering accommodation provided in a building, mobile home, vessel or other vehicle.

14. Section 5 then describes accommodation which, even if it has the characteristics described in section 5(1)(a), is not considered self-contained self-catering visitor accommodation for this purpose (i.e. is not subject to the provisions of Part 3 unless it is later applied to them by regulations). This is accommodation that is in or at a hotel, guesthouse, bed & breakfast, youth hostel, bunkhouse, camping barn, or camping and/or caravan site in respect of which licensing schemes under the Public Health Act 1936 or the Caravan Sites and Control of Development Act 1960 apply. Accommodation is only treated as self-contained, self-catering visitor accommodation for this purpose if it is provided for short-term stays (of up to 31 nights, which need not be consecutive), for the purposes of business or leisure travel or educational trips.
15. A description of the characteristics visitor accommodation must possess in order to be considered “self-contained” is also included. These are sleeping, toilet and sanitary, and cooking facilities and must be for the exclusive use of the visitor during their stay.
16. The effect of this section is to provide clarity as to what specific types of visitor accommodation are within the scope of the regulatory scheme being introduced by the Bill, and which are not. A regulation-making power is also provided to allow for further types of accommodation to be added in future.
17. For the purposes of this section, and in addition to “visitor accommodation” the following terms have the same meaning as set out in the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025:

“visitor accommodation provider” (or “VAP”);
“providing/ offering to provide”;
“premises”.
18. A reference to a “visitor” in this section is an individual who is entitled to stay at the visitor accommodation for one or more nights as a result of a contract entered into with the visitor accommodation provider described in section 3(3) of the Visitor Accommodation (Register and Levy) Etc. Act 2025.

Section 6 – Meaning of fitness for visitor accommodation

19. The section explains that for the purposes of this section and sections 7 to 13, where visitor accommodation is provided in part of a premises, references to “premises” are to that part of the premises.
20. It also clarifies that a reference to premises at which self-contained self-catering accommodation is provided in a building, mobile home, vessel or other vehicle, includes any outdoor area, garage or other building of which a visitor has exclusive use during their stay.
21. In order to set out the standards which premises at which regulated visitor accommodation is provided must meet, the Bill introduces the concept of “fitness for visitor accommodation”. This is based on the “fit for human habitation” standard in the private rented sector.
22. Section 6 explains that a premises at which regulated visitor accommodation is provided is considered to be ‘fit’ unless it does not meet the general fitness standard, or any of the specific fitness standards, as described in the following sections of the Bill. However, in relation to the **general** fitness standard, the failing must be significant enough to pose “a risk of harm or loss of amenity” such that the premises would be considered “not reasonably suitable for a visitor to reside in or at”.
23. Also, this section clarifies that the specific fitness standards apply only to the extent that they are relevant to the particular premises being considered (for example, where premises don’t have an electrical or gas supply, the corresponding standards would not be relevant).
24. A regulation-making power is also provided to allow for additional or different provision to be made about premises being fit for visitor accommodation.

Section 7 - Fitness for visitor accommodation: general standard

25. This section describes the general fitness standard that premises at which regulated visitor accommodation is provided must meet. The standard comprises requirements divided into those that are to be considered in relation to the risk of harm they pose to visitors if they are not met, and those that are to be considered in relation to the loss of amenity to visitors if they are not met. The requirements range from broad areas such as structural stability

and repair to narrower matters such as hygiene and facilities.

26. The section clarifies that these requirements are also to be considered only to the extent that they are applicable to the accommodation in question. For example, what is adequate at a cottage may be significantly different to what is adequate at a campsite, should they be brought into the regime in future.
27. Section 7, in combination with section 6, means that if any of these requirements, if applicable, are not met to the extent that the premises is not reasonably suitable for a visitor to stay in – either because there would be a risk of harm to the visitor or because the quality of the visitor’s experience would be compromised to a sufficient extent – then the general fitness standard has not been met and the premises is not fit for visitor accommodation.

Section 8 - Fitness for visitor accommodation: specific standards

28. This section lists the five specific fitness standards, each of which are then described in greater detail in sections 9-13.
29. Section 8, in combination with section 6, means that if any one of the five specific standards is not met (and is relevant to the premises in question), a premises will not be fit. Unlike the general fitness standard, the Welsh Ministers are not required to consider whether any failure to meet the standard poses a risk of harm or loss of amenity to a visitor. Rather, a failure to meet any one of the five specific standards (unless not applicable to the premises in question) would automatically result in the premises being not fit.

Section 9 - Fitness for visitor accommodation: fire prevention

30. This section describes the fire prevention standard. In order to meet the standard two requirements must be met:
- a fire safety risk assessment must be carried out in respect of the premises; and
 - any precautions identified in that risk assessment must be implemented, and
 - regardless as to whether smoke alarms were identified as required in the risk assessment there must, in the case of regulated visitor accommodation in a building, mobile home, vessel or other vehicle, be at least one working smoke alarm on each storey of the premises, which must be hardwired and interconnected if the premises has a mains electricity supply.

31. The fire prevention standard reflects the requirements of the Regulatory Reform (Fire Safety) Order 2005 and associated guidance.

Section 10 - Fitness for visitor accommodation: electrical maintenance

32. This section explains that in order to meet the electrical maintenance standard, there must be, in the case of regulated visitor accommodation in a building, mobile home, vessel or other vehicle, and where relevant (i.e. where there is electricity) a valid electrical condition report for the premises.
33. An electrical condition report is a report provided by a qualified person following the inspection and testing of all electrical installations at a premises. A report will either confirm that all installations are safe, or, if any problems are identified, these will be listed along with any work the qualified person considers necessary to address them.
34. The standard also requires visitor accommodation providers to ensure that any work required as a result is undertaken and recorded.
35. An electrical condition report is usually valid for five years but may specify an earlier date by which the next electrical inspection should be carried out. The electrical maintenance standard reflects the requirements of the guidance issued by Welsh Ministers in accordance with Article 50 of the Regulatory Reform (Fire Safety) Order 2005 (the FSO).

Section 11 - Fitness for visitor accommodation: gas maintenance

36. This section sets out the requirements regarding the gas maintenance standard. In order to meet the standard, there must be, in the case of regulated visitor accommodation in a building, mobile home, vessel or other vehicle, a gas maintenance record in relation to any gas appliance, flue and related pipework which is either installed in, or serves, the premises, except where the gas appliance or pipework is exclusively used in a part of the premises occupied for non-residential purposes. A gas maintenance record is a report provided by a Gas Safe registered engineer following a physical check of all appliances and flues.
37. The gas maintenance standard requires visitor accommodation providers to have an inspection annually, and that a record of the

check itself, as well as of any work undertaken to correct a defect, is kept, in accordance with the Gas Safety (Installation and Use) Regulations 1998

Section 12 - Fitness for visitor accommodation: carbon monoxide risk

38. This section sets out the requirement in relation to carbon monoxide risk. In order to meet the carbon monoxide risk standard, there must be, in the case of regulated visitor accommodation in a building, mobile home, vessel or other vehicle, a functioning carbon monoxide alarm in any room of the premises which has either a gas appliance, an oil-fired combustion appliance, or a solid fuel burning combustion appliance (for the purposes of this standard 'room' includes hallways, landings and corridors). The standard reflects the requirements of the guidance issued by Welsh Ministers in accordance with Article 50 of the Regulatory Reform (Fire Safety) Order 2005 (the FSO)

Section 13 - Fitness for visitor accommodation: insurance

39. This section sets out the requirement regarding insurance. In order to meet the standard, a visitor accommodation provider must have in place a public liability insurance policy to cover any damages or injuries to third parties (i.e. visitors, or members of the public) that may occur at the visitor accommodation premises.
40. A regulation-making power is also included to enable the Welsh Ministers to set specific requirements in relation to particular matters that must be covered by insurance policies, or the extent of the coverage, for example a minimum monetary level of cover.

Chapter 2: Licensing

Section 14 - Visitor accommodation licences

41. Section 14 sets out what is meant by a visitor accommodation licence and states that a premises or part of a premises can be subject to two or more licences. Section 14 also introduces Schedule 2 which amends the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 in connection with licensing.

Section 15 - Licence conditions: general

42. Section 15 lists the conditions to which a licence must be made subject when granted to a VAP. These are that the VAP is registered (under the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025) in respect of the premises to which a licence will relate and that their entry in that register shows that the VAP

provides the regulated accommodation at those premises. In addition, the licence must be granted subject to the VAP meeting any training requirements that have been prescribed, and that are relevant to them.

43. In terms of the premises, the specific fitness standards, as far as they apply, must be met and the general fitness standard must be met at any time an overnight stay takes place.
44. A copy of the licence certificate should be provided to the visitor before they arrive, and must be accessible (in either paper or electronic form (for example through a QR code)) at the premises when an overnight stay takes place.

Section 16 – Licence conditions: visitor accommodation provider training

45. To support the regulatory regime, which aims at ensuring consistent standards for regulated visitor accommodation, section 16 provides that the Welsh Ministers may impose, through regulations, a training requirement on VAPs that provide or offer to provide regulated visitor accommodation. The training would encompass the requirement for a premises to be fit for visitor accommodation, the content of any code of practice issued under section 3 and any other matters connected to the regulation of visitor accommodation.
46. The regulations, if made, may impose different requirements on different types of VAP or premises and may set out cases in which a VAP may be exempt from the requirement to complete training. They can also make provision as to who can deliver the training and for the charging of fees. The Welsh Ministers are required to consult appropriate persons before making any such regulations.

Section 17 – Licence conditions: further conditions

47. Section 17 provides the Welsh Ministers with a regulation-making power to allow for additional licence conditions to be imposed by the Welsh Ministers if required. This could allow additional conditions to be imposed on regulated visitor accommodation as defined in the Bill, but also allows for appropriate additional conditions to be set for other types of visitor accommodation if the scheme were expanded in future.
48. This regulation making power allows conditions to be added in relation to maintaining or improving the standard of visitor

accommodation, enhancing the amenity of premises and promoting tourism.

Section 18 – Licence applications: general

49. Section 18 describes the process that a VAP intending to provide or offer to provide regulated visitor accommodation must follow when making an application to the Welsh Ministers for a licence. It provides that an application must be made in the correct form, be accompanied by a fee and contain such information about the premises, the application and the approval requirements as specified by the Welsh Ministers.
50. Approval requirements are explained in section 19.

Section 19 - Licence applications: approval requirements

51. Section 19 describes the requirements (“the approval requirements”) that the Welsh Ministers must be satisfied are met in relation to the applicant and the premises at which visitor accommodation is to be offered or provided before granting a licence.
52. The Welsh Ministers must be satisfied that the VAP is registered and that the VAP’s entry in the register shows the regulated visitor accommodation, to which the application relates, at the premises. They must also be satisfied that the VAP meets any training requirements and that the specific fitness standards are met in relation to the premises.
53. In addition, the Welsh Ministers must be satisfied (based on the fact that the specific fitness standards are met) that the general fitness standard is likely to be met at any time an overnight stay takes place.
54. There is a regulation making power allowing the Welsh Ministers to prescribe other approval requirements in circumstances where they have prescribed further conditions, and where an associated further approval requirement would be appropriate. Before doing so, the Welsh Ministers must consult appropriate persons.

Section 20 – Licence applications: determination

55. This section sets out the arrangements for determining a licence application. If the Welsh Ministers are satisfied that an application meets the requirements in section 18 and is therefore valid, they must determine the application. If they are not satisfied that the application is valid they must notify the VAP and reject the

application within a reasonable timeframe.

56. If the Welsh Ministers are satisfied that the approval requirements in section 19 are met they must, within a reasonable timeframe, approve the application and grant the licence.
57. If, however, the Welsh Ministers are not satisfied that either the general fitness standard is likely to be met at the point of an overnight stay, or that any of the other approval requirements is met, they must within a reasonable timeframe, either refuse the application, notify the VAP giving reasons and an explanation of their right to appeal that decision or provide the VAP with a further assessment notice.
58. A further assessment notice must explain why the Welsh Ministers are not satisfied that the approval requirements are met, specify any action that the VAP could take or information they could provide in order to satisfy them, and state how long they have to provide the information or take the action, which must be not less than within 28 days.
59. The further assessment notice must also specify any action that the Welsh Ministers may take in order to determine whether the approval requirements are met. The action that the Welsh Ministers may take includes inspecting the property or consulting a local authority, a fire and rescue authority or Rent Smart Wales.
60. The Welsh Ministers may base their decision not to grant a licence on any information or evidence received, including the information provided or omitted by the applicant, and any other information or evidence provided by a local authority, Rent Smart Wales or a fire and rescue authority. The type of information that might be provided may relate to any of the approval requirements, for example, revocation of an applicant's landlord licence or any other regulatory action taken by the local authority in relation to the fitness of the premises.
61. Section 20 also removes the obligation on the Welsh Ministers, acting as the licensing authority under this scheme, contained in article 42(1)(a) of the Regulatory Reform (Fire Safety) Order 2005, to ensure that the enforcing authority (the relevant fire and rescue authority) has the opportunity to make representations before issuing the licence. The fire prevention standard in section 9 applies in relation to all regulated visitor accommodation.

Section 21 - Licence applications: further assessment prior to determination

62. This section describes the process the Welsh Ministers must follow, within a reasonable timeframe, after they have concluded under section 20 that a further assessment is required and issued a further assessment notice.
63. If the Welsh Ministers are satisfied through the provision of further information from the applicant that the approval requirements are met, then they must grant a licence. If they are not satisfied that the approval requirements are met, they must, within a reasonable timeframe, refuse the application, giving reasons to the VAP and notifying them of their right to appeal under section 28.

Section 22 – Grant of visitor accommodation licence

64. This section describes the information that must be included in a licence certificate that is issued to the VAP when the Welsh Ministers grant a licence: namely, the premises to which the licence relates, the regulated visitor accommodation that may be provided from there, and the conditions that apply to the licence (see section 15). It also requires the Welsh Ministers to include with the licence certificate, a statement of information that explains how the licensing scheme operates and how complaints can be made to the Welsh Ministers.

Section 23 - Breach of licence conditions: revocation

65. If the Welsh Ministers consider that a VAP is in breach of a condition of their licence, and that condition is likely to continue to be breached or to be breached again, or if the VAP has agreed that the licence should be revoked, section 23 describes the process for notifying a VAP of that decision, their right of appeal and when revocations will take effect, subject to the remedial process under section 24 where relevant.
66. There is also a regulation making power in this section providing that the Welsh Ministers may prescribe circumstances in which the VAP can be informed in advance of their intention to give a revocation notice, or when a revocation notice may take effect immediately.

Section 24 - Breach of licence conditions: remedial notices

67. Section 24 includes a regulation making power under which the Welsh Ministers must, in regulations, establish a remedial notice process in circumstances when the Welsh Ministers consider that a licence condition has been breached and is likely either to continue

to be breached or to be breached again, but should not issue a revocation notice without first giving the VAP the opportunity to remedy the breach.

Section 25 - Expiry and renewal of licence

68. This section specifies that licences will expire after one year or such other, longer, period as is specified in the licence.
69. This section also requires the Welsh Ministers to make provision, in regulations, for the process by which licences will be renewed. In particular this will include, where a renewal application has been submitted, treating the licence as continuing until the Welsh Ministers have taken a decision regarding the renewal application.

Section 26 - Amendment of licence

70. This section provides the Welsh Ministers with a regulation-making power in relation to procedures for amending licences.

Section 27 - Provisional licences

71. This section provides a regulation making power under which the Welsh Ministers may set out arrangements for provisional licences. This is intended to allow consideration of cases where accommodation is unable to meet the approval requirements (for example whilst it is being built or refurbished) but the VAP still wants to advertise (or 'offer to provide' it), so that they can be allowed to do so, subject to meeting the approval conditions before visitors are accepted.

Section 28 - Licensing appeals

72. Section 28 allows for appeals against decisions made under sections 20(4)(a) (refusal of an application), 21(2)(b) (refusal of an application following further assessment) or 23(2) (revocation of a licence) to be made to the tribunal (although not specified in the Bill, it is anticipated that the General Regulatory Chamber First Tier Tribunal will hear such appeals).

Section 29 - Power to require information

73. There may be circumstances in which the Welsh Ministers require particular information to be provided by third parties in order for the regulatory scheme set out in this Bill to function effectively. For example, if evidence provided in a licence application is suspected of being inaccurate or fraudulent, the Welsh Ministers may wish to seek further information from the applicant as to the provenance of a certificate, or, where a report has been received that a premises did not meet a particular standard, photographic or documentary evidence might be

requested from the licensee in order for the Welsh Ministers to make an informed determination as to whether a breach had occurred.

74. The power in section 29 allows the Welsh Ministers to issue an information notice to a licence-holder, or a person who used to be a licence-holder, or a person who assists in the provision of visitor accommodation (for example, a holiday lettings agent). An information notice *requires* (rather than requests) the recipient to provide the information specified. Failure to comply with a notice within a specified time is an offence and punishable with a fine under section 33 of this Bill.

Section 30 - Power of entry and inspection for enforcement purposes &

Section 31- Warrant to enter and inspect premises for enforcement purposes

75. There may be circumstances in which the Welsh Ministers might find it necessary to visit a premises at which regulated visitor accommodation is provided. For instance, where a report has been received that a premises poses a risk or harm or injury to a visitor as a result of a particular fitness standard not having been met (e.g. exposed electrical wiring or a faulty electrical socket), and it has not been possible to satisfactorily resolve the matter by means of an information notice, the Welsh Ministers may consider it necessary for a person with relevant expertise (in the example given, for instance, a qualified electrician) to inspect the premises with a view to establishing whether the electrical maintenance standard is being met.
76. Section 30 provides the Welsh Ministers with a power to enable an authorised person to enter a premises for the purposes of inspection – which includes gathering documentary evidence (including information stored on a computer or other electronic device) where they have reasonable grounds for believing that a VAP has given them false or misleading information (and thus committed an offence), or breached a licence condition. The licensee must be given reasonable notice of an inspection and force may not be used to gain access to the premises.
77. Further to section 30, section 31 allows the Welsh Ministers to apply to a magistrate for a warrant to enter a premises where a previous request for entry has either gone unanswered or been refused, or where it is reasonably expected that entry will be refused. A warrant may also be granted in respect of a premises

which is not licensed, but which the Welsh Ministers suspect is being used as regulated visitor accommodation (and therefore should be licensed).

Section 32 - Regulated visitor accommodation at unlicensed premises: offence;

Section 33 - Offence of failing to comply with an information notice;

Section 34 - Offence of providing false or misleading information;

Section 35 - Offence of wilful obstruction;

Section 47 - Offence relating to advertising and marketing of premises; &

Section 54 - Penalty notices

78. This Bill creates a total of five offences, all of which are punishable on conviction at a magistrate's court by a monetary fine – or alternatively, by payment of a penalty notice under section 54.
79. Section 32 makes it an offence to provide or offer to provide regulated visitor accommodation at unlicensed premises without a reasonable excuse.
80. Section 33 makes failure to comply with an information notice issued under section 29 without a reasonable excuse an offence.
81. Section 34 makes it an offence to knowingly or recklessly supply false or misleading information to the Welsh Ministers in connection with their functions under this legislation (e.g. as part of a licensing application).
82. Section 35 makes it an offence to wilfully obstruct an authorised person who is validly exercising a function under this Part of the Bill.
83. Section 47 makes it an offence to market or advertise a premises without including the registration number for that premises as well as advice on how to access information regarding the premises in the visitor accommodation directory without a reasonable excuse.

Section 36 - Duty to maintain a register in relation to licensing &

Section 45 - Visitor accommodation directory

84. The Bill seeks to promote tourism by providing reassurance to visitors that accommodation in Wales meets the standards they would expect, and monitoring compliance with those

standards. One means by which such assurance can be provided is through publicly accessible information in the online register or directory.

85. The Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 requires the Welsh Revenue Authority (“WRA”) to create a register identifying all visitor accommodation providers, and the accommodation offered by each, in Wales.
86. Section 36 of this Bill places an equivalent requirement on the Welsh Ministers to produce a register of licensed visitor accommodation in Wales so that licensing information is recorded.
87. Section 45 builds on both of these requirements by placing a duty on both the WRA and the Welsh Ministers to jointly produce a publicly accessible directory of premises at which visitor accommodation is provided in Wales.
88. The combined directory will allow members of the public, as well as organisations and bodies with an interest in the sector, to access information such as whether a particular premises is registered and/or licensed, the name of the business or individual who provides the accommodation, and whether any special licensing conditions are in place, should these be introduced in future.

Section 37 - Exemptions from licensing requirements

89. The Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 allows for visitor accommodation to be exempted from the registration requirements of that legislation in particular circumstances. A regulation making power in that Act allows for such exemptions to be set out in regulations. Section 37 of this Bill allows that in those cases, the provider can also be exempted from the licensing requirements of this Bill.

Section 38 – Fees in relation to visitor accommodation licences

90. Section 38 provides a regulation-making power for the Welsh Ministers to set, and adjust over time, the application fee, and any other licence fee. The section allows different fees for different circumstances, which may be particularly relevant if the scheme is expanded to other types of visitor accommodation in future. Welsh Ministers must consult before making these regulations.

Section 39 - Powers to share information

91. In order for the regulatory scheme set out in this Bill to function effectively, there may be circumstances in which the Welsh Ministers would find it useful to share information with, or request information from other relevant public bodies. Equally, there are also likely to be circumstances where those other public bodies wish to share relevant information with, or request information from the Welsh Ministers. For example, the Welsh Ministers may wish to seek advice from a fire and rescue authority regarding fire safety issues, or a local authority may wish to inform them that it has taken action in relation to complaints made about a premises which is licensed as visitor accommodation.
92. Section 39 allows for such exchanges of relevant information to take place between the bodies listed, as well as other bodies which may in future be specified by regulations.

Section 40 - Special provision in respect of campsites and caravan sites

93. Should this regime be extended to campsites and caravan sites, this section would allow conditions to be attached to licences of the sort already applicable to those sites under the Public Health Act 1936 and the Caravan Sites and Control of Development Act 1960 respectively. This section requires that any such conditions may only be attached with the agreement of the relevant local authority, who are responsible for those existing licensing schemes.
94. Regulations under this section may modify the licensing scheme to allow the operation of those conditions.

CHAPTER 3 - REGULATED VISITOR ACCOMMODATION: CONTRACT TERMS

Section 41 - Visitor accommodation contracts &

Section 42 - Contractual obligation to ensure premises fit for visitor accommodation

95. Section 41 reflects the principles set out in sections 3 and 28 of the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025, whereby a person becomes a VAP by virtue of their having entered into a contract with another person to provide them with visitor accommodation. Section 42 builds on this principle, adding a provision that, whenever such a contract is entered into by a VAP in relation to accommodation of a type regulated by this Bill, an implied term of that contract is that the accommodation must be fit for visitor accommodation at any time a visitor is entitled to occupy it as such.

Section 43 - Limits on fitness for visitor accommodation duty: visitor's fault &

Section 44 - Limits on fitness for visitor accommodation duty: knowledge of VAP

96. Section 43 provides that a VAP is not considered to be in breach of the fitness obligation set out above if the premises has become unfit either due to an action or omission by the visitor – for instance if a lock has been damaged as a result of a door being forced by a visitor, resulting in the premises not meeting the security standard.
97. Section 44 provides that a VAP is not considered to be in breach of the fitness obligation set out above if they are not aware of the issue that is causing the premises to be unfit – in the example above, if it were not the visitor's fault for instance, a VAP could not be held accountable for any loss or injury arising as a result of the premises not being secure unless they had been advised of the same (or could reasonably have been expected already to be aware) and been given reasonable time to address the issue.

PART 4

PROVISION OF INFORMATION TO THE PUBLIC ABOUT VISITOR ACCOMMODATION

Section 45 - Visitor accommodation directory

98. See paragraphs 85-89 above.

Section 46 - Advertising and marketing: provision of information to the public

99. Section 46 sets out requirements for a VAP to include a registration number in marketing or advertising material, together with how to find information regarding the premises in the visitor accommodation directory, and for anyone advertising accommodation on their behalf to do the same.

Section 47 - Offence relating to advertising and marketing of premises

100. See paragraphs 83-84 above.

PART 5

MISCELLANEOUS AND GENERAL

CHAPTER 1 - MISCELLANEOUS

Section 48 - Duties and liabilities of partnerships and unincorporated bodies

101. This section provides that where anything is required or permitted to be done by or in relation to persons in a partnership or unincorporated body under this Act, it must be done by or in relation to every person who is a partner in the partnership or a managing member of the body at the time when it is done or required to be done. However, anything required or permitted to be done by every partner or managing member may instead be done by any one of them.

Section 49 - Power to make further provision about partnerships and unincorporated bodies

102. This section gives the Welsh Ministers the power to make regulations to add to, repeal or revoke or otherwise amend any provision made by this legislation where persons carry on business in partnership or as an unincorporated body.

Section 50 - Offences committed by partnerships and unincorporated bodies

103. This section provides that proceedings for offences under this legislation alleged to have been committed by a partnership or unincorporated body are to be brought in the name of the partnership or body and not in the name of any of its members. Any fines on conviction for an offence under the Bill are to be paid out of the assets of the partnership or the funds of the body.

Section 51 - Criminal liability of senior officers etc.

104. Where an offence under this legislation is committed by a body corporate, partnership or unincorporated body this section makes it possible, in the circumstances described in subsection (2), for individuals holding positions of responsibility (or purporting to do so) within the relevant body or partnership (the “senior officers” defined by the section) to also be criminally liable for an offence.

Section 52 - Power to make provision about death, incapacity and insolvency

105. This section gives the Welsh Ministers the power to make regulations to add to, repeal or revoke or otherwise amend any provision made by this legislation where a VAP becomes incapacitated or ceases to exist as a legal entity, e.g. because they die, or because a company becomes insolvent. In particular

regulations may provide for the continuity of provision of accommodation in these circumstances on an interim basis.

Section 53 - Power to make provision about transfers of businesses as going concerns

106. This section gives the Welsh Ministers the power to make regulations to provide for the continuity of treatment under this legislation of a business which is transferred as a going concern.

Section 54 - Penalty notices

107. See paragraph 78 above.

CHAPTER 2 - GENERAL

Section 55 - Guidance issued by the Welsh Ministers

108. This section provides that the Welsh Ministers must issue guidance on Parts 3 and 4 the Bill and any regulations made under those Parts, but before issuing such guidance they must consult such persons as they consider appropriate.

Section 56 - Power to make consequential, transitional etc. provision

109. This section enables the Welsh Ministers to make regulations to provide for incidental, supplementary, consequential, transitional or saving provisions to other legislation arising from the provisions of this Bill, including in relation to section 269 of the Public Health Act 1936 (licensing of camping sites) and Part 1 of the Caravan Sites and Control of Development Act 1960 (licensing of caravan sites) so that, if appropriate, those regimes can be disapplied if the Senedd agrees to extend the licensing scheme in this legislation to the corresponding type of accommodation.

Section 57 - Regulations under this Act

110. This section lists those regulation-making powers in the Bill under which any subordinate legislation made by the Welsh Ministers must be subject to approval by the Senedd.

Section 58 - Interpretation and index of defined terms

111. This section provides definitions and explains the meanings of terms used in the Bill.

Section 59 - Coming into force

112. This section explains when and how the various provisions of the Bill may come into force.

Section 60 – Short title

113. This Section sets out the short title of the Bill, by which it may be known and referred. Either the Welsh or the English language title of the Bill may be used, including as a citation in other enactments

Schedule 1 - Amendments to the Development of Tourism Act 1969

114. This Schedule makes the changes to the Development of Tourism Act 1969 described at Section 2 above.

Schedule 2 - Amendments relating to the Register of Visitor Accommodation Providers

115. This Schedule makes the changes to the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 and Tax Collection and Management (Wales) Act 2016 described at section 14 above.

Annex 2

Index of Standing Order requirements

Standing order		Section	pages/ paragraphs
26.6(i)	Statement the provisions of the Bill would be within the legislative competence of the Senedd	Member's declaration	Page 1
26.6(ii)	Set out the policy objectives of the Bill	Chapter 3 - Purpose and intended effect of the legislation	Pages 5-16
26.6(iii)	Set out whether alternative ways of achieving the policy objectives were considered and, if so, why the approach taken in the Bill was adopted	Part 2 – Regulatory Impact Assessment	Pages 41-49
26.6(iv)	Set out the consultation, if any, which was undertaken on: (a) the policy objectives of the Bill and the ways of meeting them; (b) the detail of the Bill, and (c) a draft Bill, either in full or in part (and if in part, which parts)	Chapter 4 – Consultation	Pages 17-23
26.6(v)	Set out a summary of the outcome of that consultation, including how and why any draft Bill has been amended	Chapter 4 – Consultation	Pages 23-24

Standing order		Section	pages/ paragraphs
26.6(vi)	If the bill, or part of the Bill, was not previously published as a draft, state the reasons for that decision	Chapter 4 – Consultation	Page 17
26.6(vii)	Summarise objectively what each of the provisions of the Bill is intended to do (to the extent that it requires explanation or comment) and give other information necessary to explain the effect of the Bill	Annex 1 – Explanatory Notes	Page 87-108
26.6(viii)	Set out the best estimates of: (a) the gross administrative, compliance and other costs to which the provisions of the Bill would give rise; (b) the administrative savings arising from the Bill; (c) net administrative costs of the Bill's provisions; (d) the timescales over which such costs and savings would be expected to arise; and (e) on whom the costs would fall	Part 2 – Regulatory Impact Assessment	Pages 37-40 & Pages 50-69
26.6(ix)	Any environmental and social benefits and dis-benefits arising from the Bill that cannot be quantified financially	Part 2 – Regulatory Impact Assessment	Pages 39-40 & Pages 72-84

Standing order		Section	pages/ paragraphs
26.6(x)	Where the Bill contains any provision conferring power to make subordinate legislation, set out, in relation to each such provision: (a) the person upon whom, or the body upon which, the power is conferred and the form in which the power is to be exercised; (b) why it is considered appropriate to delegate the power; and (c) the Senedd procedure (if any) to which the subordinate legislation made or to be made in the exercise of the power is to be subject, and why it was considered appropriate to make it subject to that procedure (and not to make it subject to any other procedure);	Chapter 5 - Power to make subordinate legislation	Pages 25-36
26.6(xi)	Where the Bill contains any provision charging expenditure on the Welsh Consolidated Fund, incorporate a report of the Auditor General setting out his or her views on whether the charge is appropriate	The requirement of Standing Order 26.6(xi) does not apply to this Bill	N/A
26.6(xii)	Set out the potential impact (if any) on the justice system in England and Wales of the provisions of the Bill (a “justice impact assessment”), in accordance with section 110A of the Act.	Part 2 – Regulatory Impact Assessment	Page 81
26.6B	Where provisions of the Bill are derived from existing primary legislation, whether for the purposes of amendment or consolidation, the Explanatory Memorandum must be accompanied by a table of derivations that explain clearly how the Bill relates to the existing legal framework.	Annex 3 –Table of Derivations	Pages 113-114

Standing order		Section	pages/ paragraphs
26.6C	Where the Bill proposes to significantly amend existing primary legislation, the Explanatory Memorandum must be accompanied by a schedule setting out the wording of existing legislation amended by the Bill, and setting out clearly how that wording is amended by the Bill.	Annex 4 – Schedule of Amendments	Pages 115-166

Annex 3

Table of Derivations

Table of Derivations

The table below is intended to provide information on the derivation of the provisions of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill. The table does not provide definitive or exhaustive guidance, and should be read in conjunction with the Bill and with the explanatory notes to the Bill. While care has been taken to ensure that the document is as accurate as reasonably practicable, it does not purport to be, and should not be relied on as, authoritative.

Key to abbreviations

1969 Act	The Development of Tourism Act 1969 (1969 c. 51)
1992 Act	The Tourism (Overseas Promotion) (Wales) Act 1992 (1992 c. 26)

Section / Paragraph	Corresponding reference in existing legislation	Substantive change
Section 1	New	
Sections 2 – 4 and Schedule 1	Sections 2 and 4A of the 1969 Act and Section 1 of the 1992 Act.	Section 2 re-states existing tourism development functions, updating references to the National Assembly for Wales to the Welsh Ministers. The power to improve infrastructure for visitors to Wales is specifically set out for the first time. The Bill makes it clear that the tourism development functions are to be exercised having due regard to the importance of mitigating social and environmental impacts of visitors and maintaining and promoting the use of

		the Welsh language. This is consistent with the sustainable development principle in the Well-being of Future Generations (Wales) Act 2015 (anaw 2).
Sections 5-83 and Schedule 2	New	

Annex 4

Schedule of amendments

Development of Tourism Act 1969

AMENDMENTS TO BE MADE BY THE DEVELOPMENT OF TOURISM AND REGULATION OF VISITOR ACCOMMODATION (WALES) BILL

This document is intended to show how the provisions of the Development of Tourism Act 1969 as they applied in relation to Wales on 01 October 2025 would look as amended by the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill (if enacted as introduced on 3 November 2025).

Material to be deleted by the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill is in strikethrough, e.g. ~~omitted material looks like this~~. Material to be added by the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill is underlined, e.g. added material looks like this. References to the relevant amending provisions of the Bill are provided in the right-hand column on each page.

A number of related provisions from the Act, although not being amended, are included to aid understanding of the proposed amendments.

Warning

This text has been prepared by officials of the Economy, Energy and Transport group of the Welsh Government. Although efforts have been taken to ensure that it is accurate, it should not be relied on as a definitive text of the Act or the Bill.

It has been produced solely to help people understand the effect of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill. It is not intended for use in any other context.

Please note: this document has been prepared solely to assist people in understanding the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill. It should not be relied on for any other purpose.

1 Establishment of British Tourist Authority, English Tourist Board [and [VisitScotland]]

*Paragraph 2 of
Schedule 1 to
the
Development of
Tourism and
Regulation of
Visitor
Accommodation
(Wales) Bill*

(1) For the purposes of this Act there shall be established [three] bodies to be known respectively as the British Tourist Authority, the English Tourist Board [and [VisitScotland]].

(2) The British Tourist Authority shall consist of—

(a) a chairman and not more than five other members appointed by the Board of Trade; and

(b) the chairman of the English Tourist Board, the chairman of [VisitScotland] and [a person appointed by the ~~National Assembly for Wales~~ Welsh Ministers].

(3) The English Tourist Board shall consist of a chairman and not more than six other members appointed by the Board of [Trade and] [VisitScotland] shall consist of a chairman and not more than [eleven] other members appointed by the Secretary of State for Scotland. . . .

(4) . . .

(5) Schedule 1 to this Act shall have effect in relation to each of the bodies established by this section.

(6) In this Act “Tourist Board” means any of the bodies established by this section, and “the relevant Minister” means, in relation to the British Tourist Authority and the English Tourist Board, the Board of [Trade and] in relation to [VisitScotland], the Secretary of State for Scotland

2 General functions and powers.

*Paragraph 3 of
Schedule 1 to
the
Development of
Tourism and
Regulation of
Visitor
Accommodation
(Wales) Bill*

(1) It shall be the function of the British Tourist Authority—

(a) to encourage people to visit Great Britain and people living in Great Britain to take their holidays there; and

Please note: this document has been prepared solely to assist people in understanding the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill. It should not be relied on for any other purpose.

(b) to encourage the provision and improvement of tourist amenities and facilities in Great Britain;

and the English Tourist Board, ~~[VisitScotland]~~ and the ~~[National Assembly for Wales]~~ and VisitScotland shall have the like functions as respects England, ~~Scotland and Wales~~ and Scotland respectively.

(2) In addition to the specific powers conferred on it by or under the subsequent provisions of this Act but subject to subsections (3)[, ~~(4) and (4A)~~ and (4)] of this section, each Tourist Board ~~[and the National Assembly for Wales]~~ shall have power to do anything for the purpose of discharging the functions conferred on it by this section or which is incidental or conducive to the discharge of those functions and in particular (but without prejudice to the generality of the foregoing provisions) for that purpose—

(a) to promote or undertake publicity in any form;

(b) to provide advisory and information services;

(c) to promote or undertake research;

(d) to establish committees to advise them in the performance of their functions;

(e) to contribute to or reimburse expenditure incurred by any other person or organisation in carrying on any activity which the Board ~~[or the National Assembly for Wales]~~ has power to carry on under paragraph (a), (b) or (c) of this subsection.

(3) Only the British Tourist Authority shall have power by virtue of subsection (2) of this section to carry on any activities outside the United Kingdom for the purpose of encouraging people to visit Great Britain or any part of it but this subsection shall not prevent the other Tourist Boards ~~[or the National Assembly for Wales]~~ engaging in such activities on behalf of the Authority.

Please note: this document has been prepared solely to assist people in understanding the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill. It should not be relied on for any other purpose.

(4) None of the Tourist Boards shall have power, except as provided by sections 3 and 4 of this Act, to give financial assistance for the carrying out of or itself to carry out, any project for providing or improving tourist amenities and facilities in Great Britain.

~~[(4A) The National Assembly for Wales shall also have no such power under this Act, except as provided by sections 3 and 4A.]~~

(5) In discharging their functions under this section the English Tourist Board, ~~[VisitScotland]~~ and the ~~[National Assembly for Wales]~~ and VisitScotland shall have regard to the desirability of fostering and, in appropriate cases, co-operating with organisations discharging functions corresponding to those of [those bodies] ~~[or the National Assembly for Wales]~~ in relation to particular areas within the countries for which [those bodies] ~~[or the National Assembly for Wales]~~ are respectively responsible; and, without prejudice to the foregoing provisions of this section, each of those [bodies] ~~[and the National Assembly for Wales]~~ shall have power to provide such organisations with financial or other assistance.

(6) In discharging its functions under this section each Tourist Board ~~[and the National Assembly for Wales]~~ shall have regard to the desirability of undertaking appropriate consultation with the other Tourist Boards [and, as appropriate, ~~the National Assembly for Wales~~ the Welsh Ministers] and with persons and organisations, including those mentioned in the last foregoing subsection, who have knowledge of, or are interested in, any matters affecting the discharge of those functions.

(7) A Tourist Board may charge for its services and receive contributions towards its expenses in carrying out any of its functions.

~~[(7A) The National Assembly for Wales may charge for its services and receive contributions towards its expenses in carrying out any of its functions under this Act as read with the Tourism (Overseas Promotion) (Wales) Act 1992.]~~

Please note: this document has been prepared solely to assist people in understanding the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill. It should not be relied on for any other purpose.

(8) A Tourist Board shall not borrow money except with the consent of the relevant Minister and the Treasury.

~~[(8A) The National Assembly for Wales may borrow money for the purposes of exercising its functions under this Act as read with the Tourism (Overseas Promotion) (Wales) Act 1992.]~~

(9) In this Part of this Act “tourist amenities and facilities” means, in relation to any country, amenities and facilities for visitors to that country and for other people travelling within it on business or pleasure.

(10) See Part 2 of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Act 2026 for the corresponding functions of the Welsh Ministers in relation to promoting the development of tourism in Wales.

3 General schemes of assistance for tourist projects.

(1) The British Tourist Authority may, after consultation with the English Tourist Board, [VisitScotland] and the ~~[National Assembly for Wales Welsh Ministers]~~, prepare schemes providing for the giving of financial assistance by those Boards [and the ~~National Assembly for Wales Welsh Ministers~~] for the carrying out of projects of such classes as may be specified in the schemes, being projects which in the opinion of the Authority will provide or improve tourist amenities and facilities in Great Britain.

*Paragraph 4 of
Schedule 1 to
the
Development of
Tourism and
Regulation of
Visitor
Accommodation
(Wales) Bill*

(2) Any scheme prepared under subsection (1) of this section shall be submitted to the Board of Trade who may, subject to subsection (6) of this section, by order confirm it with or without modification; and if a scheme is so confirmed it shall thereupon have effect.

(3) A scheme under this section may provide for financial assistance to be given by way of grant or loan or by any combination of those methods.

(4) In making a grant or loan under any scheme made by virtue of this section a Tourist Board [and

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the ~~National Assembly for Wales~~ Welsh Ministers may, subject to the provisions of the scheme and to any directions under section 19 of this Act, impose such terms and conditions as it thinks fit, including conditions for the repayment of a grant in specified circumstances; and Schedule 2 to this Act shall have effect for securing compliance with conditions subject to which any such grant is made.

(5) A scheme which has effect under this section may be varied or revoked by a subsequent scheme prepared, submitted and confirmed in like manner or, subject to subsection (6) of this section, by an order made by the Board of Trade after consultation with the British Tourist Authority, the English Tourist Board, [VisitScotland] and the ~~[National Assembly for Wales~~ Welsh Ministers].

(6) Any power of the Board of Trade to make orders under this section shall be exercisable by statutory instrument and any order under subsection (2) of this section shall set out the scheme which the order confirms; and no order shall be made under this section except with the consent of the Treasury and unless a draft of it has been laid before Parliament and approved by a resolution of each House.

~~[4A Execution of particular tourist projects: Wales]~~

~~[(1) The National Assembly for Wales shall have power—~~

~~(a) to give financial assistance for the carrying out of any project which in its opinion will provide or improve tourist amenities and facilities in Wales;~~

~~(b) to carry out any such project as aforesaid.~~

~~(2) Financial assistance under subsection (1) of this section may be given by way of grant or loan or, if the project is being or is to be carried out by a company incorporated in Great Britain, by subscribing for or otherwise acquiring shares or stock in the company or by any combination of those methods.~~

*Paragraph 5 of
Schedule 1 to
the
Development of
Tourism and
Regulation of
Visitor
Accommodation
(Wales) Bill*

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~~(3) In making a grant or loan under subsection (1)(a) of this section the National Assembly for Wales may impose such terms and conditions as it thinks fit, including conditions for the repayment of a grant in specified circumstances; and Schedule 2 to this Act shall have effect for securing compliance with conditions subject to which any such grant is made.~~

~~(4) The National Assembly for Wales shall not dispose of any shares or stock acquired by it by virtue of this section except after consultation with the company in which the shares or stock are held.]~~

5 Miscellaneous duties and powers.

(1) It shall be the duty of the British Tourist Authority to advise any Minister or public body on such matters relating to tourism in Great Britain as a whole as the Minister or body may refer to it or as the Authority may think fit; and the English Tourist Board, ~~[VisitScotland]~~ and the ~~[National Assembly for Wales]~~ and VisitScotland shall have the like duty as respects matters relating to tourism in England, Scotland and Wales and Scotland respectively.

(2) In the last foregoing subsection “public body” includes any local authority or statutory undertaker, and any trustees, commissioners, board or other persons, who, as a public body and not for their own profit, act under any enactment for the improvement of any place or the production or supply of any commodity or service.

(3) The British Tourist Authority shall have power to carry on, at the request of any corresponding body established under the law of Northern Ireland, any of the Channel Islands or the Isle of Man and on such terms as may be agreed upon between the Authority and that body, activities outside the United Kingdom and those Islands for encouraging people to visit Northern Ireland or those Islands.

(4) . . .

*Paragraph 6 of
Schedule 1 to
the
Development of
Tourism and
Regulation of
Visitor
Accommodation
(Wales) Bill*

SCHEDULE 2 Enforcement of Conditions of Grant

1 Power to call for information

*Paragraph 7 of
Schedule 1 to
the
Development of
Tourism and
Regulation of
Visitor
Accommodation
(Wales) Bill*

(1) A Tourist Board may by notice require any person who has received a grant from the Board under this Act, and any person acting on his behalf, to furnish to the Board such information, or to produce for examination on behalf of the Board such books, records or other documents, as may be specified in the notice for the purpose of enabling the Board to determine whether any condition subject to which the grant was made is satisfied or is being complied with or whether the grant has become repayable in whole or in part in accordance with any such condition.

[(1A) Sub-paragraph (1) applies in relation to the National Assembly for Wales Welsh Ministers and any person who has received a grant under a scheme prepared in accordance with section 3 from ~~the Assembly~~ them (and any person acting on that person's behalf) as it applies in relation to a Tourist Board and the corresponding persons.]

(2) A notice under this paragraph may require the information to which it relates to be furnished within such time as may be specified in the notice, and may require the documents to which it relates to be produced at such time and place as may be so specified:

Provided that the time specified in such a notice for furnishing any information or producing any document shall not be earlier than the end of the period of twenty-eight days beginning with the service of the notice.

(3) A notice under this paragraph may be served—

(a) by delivering it to the person on whom it is to be served;

(b) by leaving it at the usual or last known place of abode of that person;

(c) by sending it in a prepaid registered letter, or by the recorded delivery service,

addressed to that person at his usual or last known place of abode; or

(d) in the case of an incorporated company or body, by delivering it to the secretary or clerk of the company or body at their registered or principal office, or sending it in a prepaid registered letter, or by the recorded delivery service, addressed to the secretary or clerk of the company or body at that office.

(4) Any person who without reasonable excuse fails to comply with a notice under this paragraph shall be guilty of an offence and liable on summary conviction to a fine not exceeding [level 5 on the standard scale].

2 Power to enter and inspect premises

(1) Any person duly authorised in that behalf by a Tourist Board ~~[or the National Assembly for Wales]~~ Welsh Ministers may, on production (if so required) of written evidence of his authority, at all reasonable times enter and inspect any premises in relation to which a grant has been made by the Board ~~[or (as the case may be) the Assembly]~~ under this Act or (as the case may be) the Welsh Ministers under section 3 for the purpose of determining whether any condition subject to which the grant was made is satisfied or is being complied with or whether the grant has become repayable in whole or in part in accordance with any such condition.

(2) Any person who wilfully obstructs any person in the exercise of a right of entry conferred by this paragraph shall be guilty of an offence and liable on summary conviction to a fine not exceeding [level 3 on the standard scale].

3 Failure to comply with condition requiring notification of event on which grant becomes repayable

(1) Any person who without reasonable excuse fails to comply with any condition subject to which a grant was made to him under this Act requiring him to inform a Tourist Board ~~[or the National Assembly for Wales]~~ of any event whereby the

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grant becomes repayable in whole or in part shall be guilty of an offence and liable to a fine which, if imposed on summary conviction, shall not exceed [level 5 on the standard scale].

(1A) Sub-paragraph (1) applies in relation to the Welsh Ministers and any person who has received a grant under a scheme prepared in accordance with section 3 from them as it applies in relation to a Tourist Board and the corresponding person.

(2) . . .

(3) Summary proceedings in Scotland for an offence under this paragraph shall not be commenced after the expiration of three years from the commission of the offence, but subject to the foregoing limitation and notwithstanding anything in [section 136 of the Criminal Procedure (Scotland) Act 1995], such proceedings may be commenced at any time within twelve months after the date on which evidence sufficient in the opinion of the Lord Advocate to justify the proceedings comes to his knowledge; and [subsection (3) of the said section 136] shall apply for the purposes of this sub-paragraph as it applies for the purposes of that section.

(4) For the purposes of sub-paragraphs . . . (3) of this paragraph, a certificate of . . . the Lord Advocate . . . , as to the date on which such evidence as aforesaid came to his knowledge shall be conclusive evidence of that fact.

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Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025

AMENDMENTS TO BE MADE BY THE DEVELOPMENT OF TOURISM AND REGULATION OF VISITOR ACCOMMODATION (WALES) BILL

This document is intended to show how the provisions of the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 as they applied in relation to Wales on 1 October 2025 would look as amended by the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill (if enacted as introduced on 3 November 2025).

Material to be deleted by the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill is in strikethrough, e.g. ~~omitted material looks like this~~. Material to be added by the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill is underlined, e.g. added material looks like this. References to the relevant amending provisions of the Bill are provided in the right-hand column on each page.

A number of related provisions from the Act, although not being amended, are included to aid understanding of the proposed amendments.

Warning

This text has been prepared by officials of the Economy, Energy and Transport group of the Welsh Government. Although efforts have been taken to ensure that it is accurate, it should not be relied on as a definitive text of the Act or the Bill.

It has been produced solely to help people understand the effect of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill. It is not intended for use in any other context.

1 Overview of this Act

(A1) This Act forms part of a code of Welsh law relating to tourism.

(1) This Part of this Act contains (in addition to this overview) a definition of "visitor accommodation" and of "visitor accommodation provider".

(2) Part 2 of this Act requires the Welsh Revenue Authority to keep a register of visitor accommodation providers.

(3) Part 3 of this Act grants principal councils in Wales the power to introduce in their areas a levy on overnight stays in visitor accommodation, and gives the Welsh Revenue Authority functions relating to the collection and management of the levy.

(4) Part 4 of this Act—

(a) makes provision about guidance on this Act issued by the Welsh Ministers,

(b) grants the Welsh Ministers a power to extend this Act so that it applies in relation to berths and moorings provided for vessels,

(c) makes provision for reviews of the operation and effect of this Act by the Welsh Ministers, and

(d) contains general provision.

Section 4(1) of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill

3 Visitor accommodation provider

(1) This section applies for the purposes of this Act.

(2) A person is a visitor accommodation provider ("VAP") if that person—

(a) in the course of trade or business,

(b) provides, or offers to provide, visitor accommodation at premises in Wales, and

Paragraph 2 of Schedule 2 to the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill

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(c) is an occupier of the premises at which the visitor accommodation is provided.

(3) A person provides visitor accommodation if that person enters into a contract under which, or in consequence of which, one or more people are entitled to reside for one or more nights in or at the accommodation.

(4) In subsection (3), “contract” does not include a contract of service, contract of apprenticeship, or contract for services under which a person entitled to reside in or at the visitor accommodation provides services to the VAP.

(5) In this Act—

(a) “offers to provide”, in relation to visitor accommodation, includes advertising or otherwise marketing the accommodation, or otherwise making any person aware that the accommodation is available for stays;

(b) references to a “visitor accommodation provider” (or a “VAP”) include, unless the context requires otherwise, a person registered under Part 2 of this Act, regardless of whether that person falls within subsection (2) at any given time (and regardless of whether there is an indication in the person’s entry in the register that the person is inactive).

4 Register of visitor accommodation providers

(1) The Welsh Revenue Authority (“WRA”) must establish and maintain a register of visitor accommodation providers (“the register”).

(2) Schedule 1 makes provision about the information to be contained in a visitor accommodation provider’s entry in the register.

(2A) WRA must allocate a registration number—

(a) to a visitor accommodation provider’s entry in the register, and

*Paragraph 3 of
Schedule 2 to
the
Development of
Tourism and
Regulation of
Visitor
Accommodation
(Wales) Bill*

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(b) in respect of each premises at which the visitor accommodation provider provides, or offers to provide, visitor accommodation.

(3) The register may contain any other information WRA considers appropriate.

(4) WRA must publish, in such manner as WRA considers appropriate, the information contained in the register by virtue of subsection (2A) and Schedule 1.

(5) But WRA must not publish (regardless of whether the information in question is contained in the entry for a visitor accommodation provider that is an individual)—

(a) the name of an individual, unless—

(i) the individual consents to the publication, or

(ii) the individual's forename and surname are part of the business name of the visitor accommodation provider ("VAP");

(b) the address of an individual's sole or main residence, unless—

(i) the individual consents to the publication, or

(ii) the address is of premises at which the VAP provides or offers to provide visitor accommodation.

(6) WRA may publish, in such manner as WRA considers appropriate, information contained in the register by virtue of subsection (3); but WRA may not publish information under this subsection if WRA is prohibited from publishing that information by any enactment or rule of law.

(7) In this Part—

(a) "registered" means registered in the register, ~~and~~

(aa) "licensed VAP" means a VAP that is licensed under Part X of the Development of

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Tourism and Regulation of Visitor
Accommodation (Wales) Act 2026 (asc 00).
and

(b) a reference to premises at which a person or VAP provides, or offers to provide, visitor accommodation is a reference to premises—

(i) in Wales,

(ii) at which the person or VAP, in the course of trade or business, provides or offers to provide visitor accommodation, and

(iii) occupied by the person or VAP.

6 Applications to be registered

(1) A person may apply to be registered before the person begins, in the course of trade or business, providing, or offering to provide, visitor accommodation at premises in Wales that the person occupies (but see sections 14~~14A~~ to 16 (removal of a person from the register when not providing etc. visitor accommodation)).

*Paragraph 4 of
Schedule 2 to
the
Development of
Tourism and
Regulation of
Visitor
Accommodation
(Wales) Bill*

(2) An application to be registered must—

(a) be in such form, and made in such manner, as WRA may specify,

(b) contain the information required under Schedule 1 to be included in the register, and

(c) contain such other information, and be accompanied by such documents, as WRA may specify.

(3) WRA must (unless the person is already registered)—

(a) register a person that makes an application that complies with subsection (2), and

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(b) issue that person a notice of registration specifying—

(i) a registration number for the VAP,
and

(ii) a registration number in respect of
each premises at which the VAP
provides, or offers to provide, visitor
accommodation.

(4) If WRA decides not to register a person that has applied under subsection (1), WRA must issue a notice to that person—

(a) specifying the reason why, and

(b) setting out information about rights of review and appeal.

(5) A person is not liable to a penalty under section 7 in relation to premises at which the person provides, or offers to provide, visitor accommodation during the period—

(a) beginning with the day the person applies to be registered in respect of those premises, and

(b) ending with the day notice is issued to that person under subsection (3)(b) or (4).

8 Power to register persons where no application has been made to WRA

(1) WRA may register a person that is not registered and that has not made an application to be registered if, on the day WRA registers the person, WRA considers that the person—

(a) is a VAP, or

(b) at any time in the preceding 14 days, was a VAP.

(2) Before WRA may register a person under subsection (1), WRA must issue a notice to that person—

*Paragraph 5 of
Schedule 2 to
the
Development of
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Regulation of
Visitor
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(Wales) Bill*

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(a) setting out the information that will be included in that person's entry in the register,

(b) specifying any information relevant to that person's entry WRA does not have, or WRA considers is or may be inaccurate,

(c) informing the person that WRA will register the person on the date specified in the notice unless—

(i) before that date, the person applies to be registered in accordance with section 6, or

(ii) WRA is satisfied that the person is not required to register, and

(d) setting out information about rights of review and appeal.

(3) The date specified in the notice under subsection (2)(c) must be at least 14 days after the day the notice is issued.

(3A) If WRA registers a person under subsection (1), WRA must send the person a notice specifying—

(a) a registration number for the person, and

(b) a registration number in respect of each premises at which the person provides, or offers to provide, visitor accommodation.

(4) A person registered under this section is, for the purposes of section 7, to be treated as if that person is not registered; but this subsection does not apply from the time the person—

(a) gives notice to WRA—

(i) providing any information necessary to make the person's entry complete and accurate, or

(ii) if no such information is needed, confirming that the entry is complete and accurate, or

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(b) applies to WRA to be removed from the register

9 Duty to notify WRA of changes and inaccuracies

*Paragraph 6 of
Schedule 2 to
the
Development of
Tourism and
Regulation of
Visitor
Accommodation
(Wales) Bill*

(1) A VAP must give WRA notice of any—

(a) change of circumstances that causes the VAP's entry in the register to become inaccurate, or

(b) inaccuracy in the VAP's entry in the register, before the end of the period of 30 days beginning with the day the change of circumstances occurs or the VAP first knew, or ought to have known, of the inaccuracy.

(2) Notice under subsection (1) must—

(a) be in such form, and given in such manner, as WRA may specify,

(b) contain the information necessary to enable WRA to correct the register, and

(c) contain such other information, and be accompanied by such documents, as WRA may specify.

(3) WRA must, if the notice complies with subsection (2)—

(a) correct the register, and

(b) issue a notice to the VAP, ~~specifying the corrections made to the VAP's entry~~

(i) specifying the corrections made to the VAP's entry, and

(ii) where the correction involves adding premises at which the VAP provides, or offers to provide, visitor accommodation to the VAP's entry in the register, specifying a registration number in respect of those premises.

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unless WRA has already made the corrections under section 11.

(4) If WRA decides not to make a change to the register after being given notice by a VAP under subsection (1), WRA must issue a notice to that VAP—

- (a) specifying the reason why, and
- (b) setting out information about rights of review and appeal

10 Penalties for failure to notify WRA of changes and inaccuracies

(1) A VAP that fails to comply with section 9(1) is liable to a penalty of £100.

(2) A penalty notice issued to a VAP in respect of a penalty to which the VAP is liable under subsection (1) must specify the information WRA considers to be inaccurate.

(3) If the VAP fails to give WRA the notice required by section 9(1)(a) or (b) in respect of the information specified in the penalty notice by the end of the period of 30 days beginning with the day the penalty notice is issued (“the initial penalty period”), the VAP—

(a) is liable to a penalty of £10 for each day after the end of that period, up to and including the 30th day, on which the failure continues, and

(b) is liable to a penalty of £1000 for the 31st day on which the failure continues.

(4) In calculating the initial penalty period, no account is to be taken of any day on which a decision relating to the penalty under subsection (1) is the subject of—

(a) a review for which a notice of the conclusions has not yet been issued, or

*Paragraph 7 of
Schedule 2 to
the
Development of
Tourism and
Regulation of
Visitor
Accommodation
(Wales) Bill*

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(b) an appeal that has not yet been finally determined or withdrawn.

(5) This section does not apply in relation to a person where the nature of the information that WRA considers to be inaccurate means that the person is liable to a penalty under—

(a) section 7 (penalties for failing to register in respect of premises), ~~or~~

(b) section 15 (penalties where a person fails to apply for removal from the register), ~~or~~

(c) section 16C (penalties relating to notices under sections 16A and 16B).

(6) A person that—

(a) ceases to be a VAP, but

(b) became liable to a penalty under this section while the person was a VAP, remains liable to the penalty.

11 Power to change the register where no notice has been given to WRA

(1) WRA may change a VAP's entry in the register where no notice has been given by the VAP under section 9 if WRA considers that the entry is inaccurate.

(2) Before WRA may change a VAP's entry under subsection (1), WRA must issue a notice to that VAP—

(a) specifying the information WRA considers inaccurate,

(b) setting out whether WRA intends to—

(i) omit that information, or

(ii) make other changes to the entry, in which case WRA must specify the

changes it intends to make,

Paragraphs 8 and 9 of Schedule 2 to the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill

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(c) informing the VAP that WRA will change the register on the date specified in the notice unless—

(i) before that date, the VAP gives the notice required under section 9(1)(a) or (b), or

(ii) WRA is satisfied that the register does not need to be changed, and

(d) setting out information about rights of review and appeal.

(3) The date specified in the notice under subsection (2)(c) must be at least 30 days after the day the notice is issued.

(3A) Where WRA makes a change under subsection (1) that involves adding premises at which the VAP provides, or offers to provide, visitor accommodation to the VAP's entry in the register, WRA must send the VAP a notice, as soon as practicable after making the change, specifying a registration number in respect of those premises.

(4) Where a VAP's entry is changed under this section, the VAP remains liable to penalties under section 10; but the VAP is to be treated for the purposes of that section as having given the notice required by section 9(1)(a) or (b) from the time the VAP gives notice to WRA—

(a) if the entry is inaccurate, providing the information necessary to make the VAP's entry accurate, or

(b) confirming that the entry is accurate.

11A Changes and inaccuracies relating to premises: licensed VAPs

Where a licensed VAP's entry in the register is changed under section 9 or 11 because the VAP is not providing or offering to provide [regulated] visitor accommodation at premises in respect of which the VAP is licensed (but the VAP continues to provide or offer to provide visitor accommodation at other premises in respect of which the VAP is registered)—

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(a) the VAP remains registered in respect of those premises, and

(b) the VAP's entry in the register must include an indication that the VAP is not providing or offering to provide accommodation at those premises.

14 Removal of a person from the register on application to WRA

Paragraphs 10 and 11 of Schedule 2 to the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill

~~(1) A person must apply to WRA for removal from the register before the 31st consecutive day on which that person has not provided or offered to provide visitor accommodation at any premises.~~

(1) A person with an entry in the register may make an application to WRA for removal from the register (but see section 14A for circumstances in which a person must make an application to WRA for removal from the register).

(2) An application under subsection (1) must—

(a) be in such form, and made in such manner, as WRA may specify, and

(b) contain such information as WRA may specify.

(3) WRA must, if a person makes an application under this section that complies with subsection (2)—

(a) remove the person from the register, and

(b) issue a notice to the person confirming the date of removal from the register.

(4) If WRA decides not to remove from the register a person that has applied under subsection (1), WRA must issue a notice to that person—

(a) specifying the reason why, and

(b) setting out information about rights of review and appeal.

~~(5) For the purposes of this section and section 15, a person has not provided or offered to provide~~

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~~visitor accommodation at any premises if that person has not, in the course of trade or business, provided or offered to provide visitor accommodation at premises in Wales that the person occupies.~~

Requirement for certain persons to apply for removal from the register

14A Mandatory application for removal from the register

(1) A person that is not a licensed VAP must, before the 31st consecutive day on which that person has not provided or offered to provide visitor accommodation at any premises, make an application under section 14 for removal from the register.

(2) A licensed VAP that does not provide or offer to provide visitor accommodation at any premises must, before the 31st day after the day on which that VAP's licence expires, make an application under section 14 for removal from the register.

(3) For the purposes of this Part, a person has not provided or offered to provide visitor accommodation at any premises if that person has not, in the course of trade or business, provided or offered to provide visitor accommodation at premises in Wales that the person occupies.

15 Penalties where a person fails to apply for removal from the register

(1) A person to whom this section applies that fails to comply with section 14(1)~~14A(1)~~ is liable to a penalty of £100.

(2) If the person—

(a) fails to apply to WRA for removal from the register by the end of the period of 30 days beginning with the day a penalty notice relating to the penalty under subsection (1) is issued (“the initial penalty period”), and

(b) during that period has not provided or offered to provide visitor accommodation at

Paragraph 12 of Schedule 2 to the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill

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any premises, that person is liable to a penalty, to be calculated under subsection (3).

(3) The penalty to which a person is liable under subsection (2) is—

(a) £10 for each day after the end of the initial penalty period, up to and including the 30th day, on which the failure continues and on which the person does not provide or offer to provide visitor accommodation at any premises, and

(b) £1000 for the 31st day on which the failure continues and on which the person does not provide or offer to provide visitor accommodation at any premises.

(4) In calculating the initial penalty period, no account is to be taken of any day on which a decision relating to the penalty under subsection (1) is the subject of—

(a) a review for which a notice of the conclusions has not yet been issued, or

(b) an appeal that has not yet been finally determined or withdrawn.

16 Power to remove a person from the register when no application has been made

(1) WRA may remove a person from the register where that person has not made an application for removal if WRA considers that the person is required under section ~~14(1)~~14A(1) to make such an application.

(2) Before WRA may remove a person from the register under subsection (1), WRA must issue a notice to that person—

(a) specifying the reasons why WRA considers that the person is required to make an application for removal,

Paragraphs 13 and 14 of Schedule 2 to the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill

Please note: this document has been prepared solely to assist people in understanding the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill. It should not be relied on for any other purpose.

(b) informing the person that WRA will remove the person from the register on the date specified in the notice unless—

(i) before that date, the person makes an application for removal that complies with section 14(2), or

(ii) WRA is satisfied that the person is not required to make an application for removal, and

(c) setting out information about rights of review and appeal.

(3) The date specified under subsection (2)(b) must be at least 30 days after the day the notice is issued.

(4) A person removed from the register under this section remains liable to penalties under section 15; but the person is to be treated for the purposes of that section as having made an application for removal from the time the person—

(a) gives notice to WRA setting out the date the person considers to be the date the person ceased to be a VAP on which the person last provided or (if later) offered to provide visitor accommodation, or

(b) makes an application to be registered.

Notification of inactivity by licensed VAPs

16A Notice to WRA that a licensed VAP is inactive

(1) This section and sections 16B to 16E apply only in relation to licensed VAPs.

(2) A licensed VAP must, before the 31st consecutive day on which that VAP has not provided or offered to provide visitor accommodation at any premises, give WRA notice that the VAP is not providing or offering to provide visitor accommodation (a “notice of inactivity”).

(3) A notice of inactivity must—

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(a) be in such form, and made in such manner, as WRA may specify, and

(b) contain such information as WRA may specify.

(4) WRA must, if a licensed VAP gives to it a notice of inactivity that complies with subsection (3)—

(a) include an indication in the VAP's entry in the register that the VAP is inactive, and

(b) issue a notice to the VAP confirming the date on which the register was changed in accordance with paragraph (a).

(5) If WRA decides not to include an indication in a licensed VAP's entry in the register that the VAP is inactive, WRA must issue a notice to that VAP—

(a) specifying the reason why, and

(b) setting out information about rights of review and appeal.

16B Notice to WRA that a licensed VAP has resumed activities

(1) A licensed VAP whose entry in the register contains an indication that the VAP is inactive must, on or before the day on which the VAP resumes offering to provide or (if earlier) providing visitor accommodation at any premises, give WRA notice that the VAP is resuming providing, or offering to provide, visitor accommodation (a "notice of resumption of activity").

(2) A notice of resumption of activity must—

(a) be in such form, and made in such manner, as WRA may specify,

(b) set out the date on which the licensed VAP resumes providing, or offering to provide, visitor accommodation, and

(c) contain such other information as WRA may specify.

Please note: this document has been prepared solely to assist people in understanding the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill. It should not be relied on for any other purpose.

(3) WRA must, if a person gives to it a notice of resumption of activity that complies with subsection (2)—

(a) remove from the licensed VAP's entry in the register the indication that the person is inactive, and

(b) issue a notice to the VAP confirming the date on which the register was changed in accordance with paragraph (a).

(4) If WRA decides not to remove from the licensed VAP's entry in the register the indication that the VAP is inactive, WRA must issue a notice to that VAP—

(a) specifying the reason why, and

(b) setting out information about rights of review and appeal.

16C Penalties where a licensed VAP fails to give a notice under section 16A or 16B

(1) A licensed VAP that fails to comply with section 16A(2) or 16B(1) is liable to a penalty of £100.

(2) If the licensed VAP—

(a) fails to give WRA the notice in question by the end of the period of 30 days beginning with the day a penalty notice relating to the penalty under subsection (1) is issued ("the initial penalty period"), and

(b) during that period—

(i) in the case of a failure to comply with section 16A(2), has not provided or offered to provide visitor accommodation at any premises, or

(ii) in the case of a failure to comply with section 16B(1), has provided or offered to provide visitor accommodation at any premises,

that VAP is liable to a penalty, to be calculated under subsection (3).

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(3) The penalty to which a licensed VAP is liable under subsection (2) is—

(a) £10 for each day after the end of the initial penalty period, up to and including the 30th day, on which the failure continues and on which—

(i) in relation to a failure to comply with section 16A(2), the VAP does not provide or offer to provide visitor accommodation at any premises;

(ii) in relation to a failure to comply with section 16B(1), the VAP provides or offers to provide visitor accommodation at any premises, and

(b) £1000 for the 31st day on which the failure continues and on which—

(i) in relation to a failure to comply with section 16A(2), the VAP does not provide or offer to provide visitor accommodation at any premises;

(ii) in relation to a failure to comply with section 16B(1), the VAP provides or offers to provide visitor accommodation at any premises.

(4) In calculating the initial penalty period, no account is to be taken of any day on which a decision relating to the penalty under subsection (1) is the subject of—

(a) a review for which a notice of the conclusions has not yet been issued, or

(b) an appeal that has not yet been finally determined or withdrawn.

16D Powers to change a licensed VAP's entry in the register where no notice under section 16A has been given

(1) Where a licensed VAP has not given WRA a notice of inactivity, WRA may include an indication in the VAP's entry in the register that the VAP is

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inactive if WRA considers that the VAP is required under section 16A(2) to give it a notice of inactivity.

(2) Before WRA changes, under subsection (1), a licensed VAP's entry in the register, WRA must issue a notice to that VAP—

(a) specifying the reasons why WRA considers that the VAP is required to give a notice under section 16A(2),

(b) informing the VAP that WRA will, on the date specified in the notice, include an indication in the VAP's entry in the register that the VAP is inactive unless—

(i) before that date, the VAP gives a notice of inactivity that complies with section 16A(3), or

(iii) WRA is satisfied that the VAP is not required to give it a notice of inactivity, and

(c) setting out information about rights of review and appeal.

(3) The date specified under subsection (2)(b) must be at least 30 days after the day the notice is issued.

(4) A licensed VAP whose entry in the register is changed under this section remains liable to penalties under section 16C; but the VAP is to be treated for the purposes of that section as having given a notice of inactivity from the time the VAP—

(a) gives notice to WRA setting out the date the VAP considers to be the date on which the VAP last provided or (if later) offered to provide visitor accommodation, or

(b) gives WRA a notice of resumption of activity under section 16B.

16E Powers to change a licensed VAP's entry in the register where no notice under section 16B has been given

(1) Where a licensed VAP has not given WRA a notice of resumption of activity, WRA may remove

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an indication in the VAP's entry in the register that the VAP is inactive if WRA considers that the VAP is required under section 16B(1) to give it such a notice.

(2) Before WRA, under subsection (1), removes the indication in the licensed VAP's entry in the register that the VAP is inactive WRA must issue a notice to that VAP—

(a) specifying the reasons why WRA considers that the VAP is required to give a notice under section 16B(1).

(b) informing the VAP that WRA will, on the date specified in the notice, remove the indication in the VAP's entry in the register that the VAP is inactive unless—

(i) before that date, the VAP gives a notice of resumption of activity that complies with section 16B(2), or

(ii) WRA is satisfied that the VAP is not required to give it a notice of resumption of activity, and

(c) setting out information about rights of review and appeal.

(3) The date specified under subsection (2)(b) must be at least 30 days after the day the notice is issued.

(4) A licensed VAP whose entry in the register is changed under this section remains liable to penalties under section 16C; but the VAP is to be treated for the purposes of that section as having given a notice of resumption of activity from the time the VAP—

(a) gives notice to WRA setting out the date the VAP considers to be the date on which the VAP was required to give a notice of resumption of activity, or

(b) gives WRA a notice of inactivity under section 16A.

19 Assessment of penalties

*Paragraph 15
of Schedule 2
to the
Development of
Tourism and
Regulation of
Visitor
Accommodation
(Wales) Bill*

(1) Where a person becomes liable to a penalty under this Part, WRA must—

- (a) assess the penalty, and
- (b) issue a notice to the person of the penalty assessed (a “penalty notice”).

(2) An assessment of a penalty under the following provisions must be made as soon as practicable after the day WRA first considered that the person was liable to the penalty, and in any event before the end of the period of 12 months beginning with that day—

- (a) section 7(1);
- (b) section 10(1);
- (c) section 13(1);
- (d) section 15(1).
- (e) section 16C(1).

(3) An assessment of a penalty under the following provisions must be made as soon as practicable after the day to which the penalty relates, and in any event before the end of the period of 12 months beginning with that day—

- (a) section 7(4);
- (b) section 10(3);
- (c) section 13(2);
- (d) section 15(2).
- (e) section 16C(2).

(4) A penalty notice must include (in addition to any other information specified in this Part) information as to—

- (a) the grounds for the imposition of the penalty,

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(b) the period within which the payment is to be made,

(c) representations that may be made relating to sections 17 and 18, and

(d) rights of review and appeal.

26 Registration: powers to make further or different provision

*Paragraph 16
of Schedule 2
to the
Development of
Tourism and
Regulation of
Visitor
Accommodation
(Wales) Bill*

(1) The Welsh Ministers may by regulations make provision about the register and registration requirements, including (among other things) provision—

(a) about information that must or must not be included in the register;

(b) requiring or prohibiting the publication of information that is—

(i) contained in the register, and

(ii) of a kind specified in the regulations;

(c) exempting a person from the requirement to give notice under section 9(1) in relation to information of a kind specified in the regulations;

(d) about penalties under this Part, including provision—

(i) changing the amount of a penalty;

(ii) changing how a penalty is calculated;

(iii) about the procedure for assessing penalties;

(e) as to which decisions of WRA are, or are not, subject to review or appeal.

(2) Regulations under this section may amend—

(a) this Act;

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(b) the Tax Collection and Management (Wales) Act 2016 (anaw 6),

(c) the Development of Tourism and Regulation of Visitor Accommodation (Wales) Act 2026 (asc 00).

and references in this section to “specified in the regulations” include a reference to “specified in an amendment made by the regulations”.

38 Meaning of “accounting period”: annual returns

(1) This section applies in relation to a VAP that decides under section 37 to make an annual return in respect of a financial year.

(2) The accounting period is the financial year, subject to subsection (3).

(3) Where the VAP commences leviable operations, the VAP’s first accounting period—

(a) begins on the date the VAP commences leviable operations, and

(b) ends with the end of the financial year during which the accounting period began.

(4) For the purpose of this section and section 39, a VAP commences leviable operations—

(a) on the date the VAP first offers to provide or (if earlier) first provides visitor accommodation in an area where the levy has been introduced (whether or not the VAP provided or offered to provide visitor accommodation in that area, or elsewhere, before that date), or

(b) where the VAP previously provided or offered to provide visitor accommodation in an area where the levy has been introduced and then ceased to ~~do so~~ be a VAP, on the date the VAP recommences offering to provide or (if earlier) providing visitor

Paragraph 17 of Schedule 2 to the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill

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accommodation in an area where the levy has been introduced.

Schedule 1 Information to be included in the register of visitor accommodation providers

Information to be included in the register

1 A visitor accommodation provider's entry in the register must contain the following information about the visitor accommodation provider ("VAP")—

- (a) the name of the VAP,
- (b) any business name used by the VAP,
- (c) the business address of the VAP,
- (d) a statement as to whether the VAP is an individual, a partnership, a body corporate, an unincorporated body, or another kind of entity,
- (e) if the VAP is—
 - (i) a company registered under the Companies Act 2006 (c. 46), its company number, or
 - (ii) an overseas entity within the meaning of Part 1 of the Economic Crime (Transparency and Enforcement) Act 2022 (c. 10) registered under that Part, its overseas entity ID, and
- (f) a statement as to whether the VAP is a charity, and if the VAP is a charity registered under the Charities Act 2011 (c. 25), its charity number.

2 A VAP's entry in the register must contain the following information about the premises at which the VAP provides, or offers to provide, visitor accommodation—

- (a) the name of—

*Paragraph 18
of Schedule 2
to the
Development of
Tourism and
Regulation of
Visitor
Accommodation
(Wales) Bill*

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(i) the premises (if the premises has a name);

(ii) the visitor accommodation provided at the premises (if the accommodation has a name),

(b) the address (including the county or county borough) of the premises,

(c) the type of visitor accommodation that the VAP provides, or offers to provide, at the premises, and

(d) the maximum number of people that can be accommodated in the visitor accommodation provided in or at the premises.

2A Sections 11A, 16A and 16D make further provision about information that must or may be contained in a licensed VAP's entry in the register.

3 Where WRA has registered a person under section 8, or made any changes to a person's entry under section 11—

(a) the entry must indicate that the person was registered or the entry changed under the section in question, and

(b) in the case of a change made under section 11, the entry must indicate the information in question,

but sub-paragraphs (a) and (b) cease to apply to an entry if the person provides WRA with the information necessary to satisfy WRA that the entry is complete and accurate.

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Tax Collection and Management (Wales) Act 2016

AMENDMENTS TO BE MADE BY THE DEVELOPMENT OF TOURISM AND REGULATION OF VISITOR ACCOMMODATION (WALES) BILL

This document is intended to show how the provisions of the Tax Collection and Management (Wales) Act 2016 as they applied in relation to Wales on 1 October 2025 would look if the amendments made by the Visitor Accommodation (Register & Levy) Etc. (Wales) Act 2025 were brought into force, as further amended by the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill (if enacted as introduced on 3 November 2025).

The approach of presenting these amendments as if those made by the Visitor Accommodation (Register & Levy) Etc. (Wales) Act 2025 had come into force has been taken to help demonstrate their intended effect.

Material to be deleted by the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill is in strikethrough, e.g. ~~omitted material looks like this~~. Material to be added by the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill is underlined, e.g. added material looks like this. References to the relevant amending provisions of the Bill are provided in the right-hand column on each page.

A number of related provisions from the Act, although not being amended, are included to aid understanding of the proposed amendments.

Warning

This text has been prepared by officials of the Economy, Energy and Transport group of the Welsh Government. Although efforts have been taken to ensure that it is accurate, it should not be relied on as a definitive text of the Act or the Bill.

It has been produced solely to help people understand the effect of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill. It is not intended for use in any other context.

Please note: this document has been prepared solely to assist people in understanding the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill. It should not be relied on for any other purpose.

12 Main functions

(1) WRA's general function is the collection and management of devolved taxes.

(2) WRA has the following particular functions—

(a) providing to the Welsh Ministers information, advice and assistance relating to devolved taxes;

(b) providing information and assistance relating to WRA-collected taxes to taxpayers, their agents and other persons;

(c) resolving complaints and disputes relating to devolved taxes;

(d) promoting compliance with the law relating to devolved taxes and protecting against tax evasion and tax avoidance in relation to devolved taxes.

(e) providing information, advice and assistance relating to the visitor levy to principal councils.

(2A) WRA also has functions under Part 2 of the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 (asc 00) (~~register of visitor accommodation~~ accommodation providers) and [Part X of] the Development of Tourism and Regulation of Visitor Accommodation (Wales) Act 2026 (asc 00) (directory of visitor accommodation).

(3) WRA must provide the Welsh Ministers with such information, advice or assistance relating to its functions as the Welsh Ministers may from time to time require in such form as the Welsh Ministers determine.

(4) In addition to any other powers it has, WRA may do anything which it considers—

*Paragraph 19(2) of
Schedule 2 to the
Development of
Tourism and
Regulation of Visitor
Accommodation
(Wales) Bill*

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(a) necessary or expedient in connection with the exercise of its functions, or

(b) incidental or conducive to the exercise of those functions.

18 Permitted disclosures

(1) A disclosure of protected information is permitted by this section if—

(za) it is made for the purposes of WRA's functions, other than the functions mentioned in section 12(2)(a) and (e), and (3),

(a) it is made with the consent of each person to whom the information relates,

(b) it is made for the purpose of obtaining services in connection with a function of WRA,

(c) it is made for the purposes of a criminal investigation or criminal proceedings or for the purposes of the prevention or detection of crime,

(d) it is made to a body with responsibility for the regulation of a profession in connection with misconduct on the part of a member of the profession which relates to a function of WRA,

(e) it is made for the purposes of civil proceedings,

(f) it is made in pursuance of an order of a court or tribunal,

(g) it is made in accordance with an enactment requiring or permitting the disclosure, or

(h) it is made to WRA or to a person to whom WRA has delegated any of its

*Paragraph 19(3) of
Schedule 2 and
section 39(4) of the
Development of
Tourism and
Regulation of Visitor
Accommodation
(Wales) Bill*

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functions for use in accordance with section 16,

(i) it is made to Her Majesty's Revenue and Customs in connection with a function of WRA or in connection with a function of Her Majesty's Revenue and Customs, or

(j) it is made to Revenue Scotland in connection with a function of WRA or in connection with the collection and management of a devolved tax within the meaning of the Scotland Act 1998 (c. 46).

(k) the disclosure is of information acquired in connection with the functions of WRA under Part 2 of the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 (asc 00), and it is made—

(i) to a principal council in connection with a function of the principal council, or

(ii) to the Welsh Ministers in connection with their functions under ~~section 2 of the Development of Tourism Act 1969 (c. 51)~~ Part X of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Act 2026 (asc 00), or

(l) it is made to the Welsh Ministers for the purpose of any of their functions under the Development of Tourism and Regulation of Visitor Accommodation (Wales) Act 2026 (asc 00).

(2) The Welsh Ministers may by regulations amend subsection (1).

Please note: this document has been prepared solely to assist people in understanding the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill. It should not be relied on for any other purpose.

*Development of
Tourism and
Regulation of Visitor
Accommodation
(Wales) Bill*

(1) A person to whom an appealable decision applies—

(a) may request a review of the decision (subject to subsection (4)), and

(b) may appeal against the decision,

in accordance with the following provisions of this Part.

(2) The following decisions by WRA are appealable decisions—

(a) a decision which affects whether a person is chargeable to a devolved tax;

(b) a decision which affects the amount of a devolved tax to which a person is chargeable;

(c) a decision which affects the day by which an amount of a devolved tax must be paid;

(d) a decision about a penalty relating to a devolved tax;

(da) a decision relating to a penalty point for failure to make a visitor levy return (within the meaning of Part 5);

(db) a decision to issue a taxpayer notice, or to include a particular requirement in such a notice, where the tribunal did not approve the issuing of the notice;

(e) a decision to issue an information notice or to include a particular requirement in such a notice;

(f) a decision to issue a notice under paragraph 14 of Schedule 16 to LTTA (recovery of group relief: notice requiring payment by another group company or controlling director);

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(g) a decision to issue a notice under paragraph 9 of Schedule 17 to that Act (recovery of reconstruction or acquisition relief: notice requiring payment by another group company or controlling director);

(h) a decision relating to the method to be used by the operator of an authorised landfill site to determine the weight of material for the purposes of landfill disposals tax;

(i) a decision relating to the registration of a person for the purposes of landfill disposals tax;

(j) a decision relating to the designation of a non-disposal area for the purposes of landfill disposals tax;

(k) a decision relating to the designation of a group of bodies corporate for the purposes of landfill disposals tax;

(l) a decision relating to a tax credit in respect of landfill disposals tax.

(m) a decision relating to the registration of a person under Part 2 of the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 (asc 00) ~~(see section 5 of that Act)~~;

(n) a decision to issue a notice under section 12 in that Part of that Act or to include a particular requirement in such a notice;

(o) a decision relating to a penalty under that Part of that Act.

(2A) In subsection (2), “operator”, “authorised landfill site”, “registration” and “non-disposal area” have the same meanings as in LDTA.

(3) But the following decisions are not appealable decisions—

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(a) a decision to issue a notice of enquiry under section 43 or 74;

(b) a decision to issue—

(i) a taxpayer notice where the tribunal approved the issuing of the notice, or

(ii) a third party notice to which section 90(3) applies;

(c) a decision to include a particular requirement in—

(i) a taxpayer notice where the tribunal approved the issuing of the notice, or

(ii) a third party notice to which section 90(3) applies.

(4) Where the tribunal has approved the issuing of an information notice, a person may not request a review of WRA's decision to issue the notice.

(5) Where a review may be requested, or an appeal made, in respect of a decision to issue an information notice or include a requirement in such a notice, it may be requested or made only on the following grounds—

(a) that it is unreasonable to require the person to whom the notice was issued to comply with the notice or requirement;

(b) that a provision of sections 97 to 102 prevents the notice from requiring the person to provide the information or produce the document;

(c) in the case of an identification notice issued under section 92 or a debtor contact notice issued under section 93, that condition 4 of that section has not been met.

Please note: this document has been prepared solely to assist people in understanding the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill. It should not be relied on for any other purpose.

(6) In the case of a decision to issue an ~~information notice~~ or a notice under section 12A of the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 or to include a particular requirement in such a notice, the person to whom the decision applies for the purposes of subsection (1) is the person to whom the notice was issued.

(7) The Welsh Ministers may by regulations—

(a) modify this section to—

(i) add a decision to subsection (2) or (3);

(ii) vary the description of a decision in either of those subsections;

(iii) remove a decision from either of those subsections;

(b) amend this Part in order to make provision about the grounds on which a review may be requested, or an appeal made, in respect of an appealable decision.

187B Crown application for the purposes of the visitor levy, ~~the and the~~ register of visitor accommodation providers and the directory of visitor accommodation

(1) This Act, in so far as it applies in relation to WRA's functions under Part 2 of the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 (asc 00) and Part X of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Act 2026 (asc 00), and in relation to the visitor levy, binds the Crown.

(2) This Act, in so far as it applies in relation to WRA's functions under Part 2 of the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 and Part X of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Act 2026

*Paragraph 19(5) of
Schedule 2 to the
Development of
Tourism and
Regulation of Visitor
Accommodation
(Wales) Bill*

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(asc 00), and in relation to the visitor levy, does not make the Crown criminally liable, but it applies to persons in the service of the Crown as it applies to other persons.

(3) In subsections (1) and (2), references to “this Act” include a reference to an enactment made under this Act.

Please note: this document has been prepared solely to assist people in understanding the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill. It should not be relied on for any other purpose.

Tax Collection and Management (Wales) Act 2016

AMENDMENTS TO BE MADE BY THE DEVELOPMENT OF TOURISM AND REGULATION OF VISITOR ACCOMMODATION (WALES) BILL

This document is intended to show how the provisions of the Tax Collection and Management (Wales) Act 2016 as they applied in relation to Wales on 22 September 2025 would look as amended by the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill (if enacted as introduced on 3 November 2025).

Material to be deleted by the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill is in strikethrough, e.g. ~~omitted material looks like this~~. Material to be added by the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill is underlined, e.g. added material looks like this. References to the relevant amending provisions of the Bill are provided in the right-hand column on each page.

A number of related provisions from the Act, although not being amended, are included to aid understanding of the proposed amendments.

Warning

This text has been prepared by officials of the Economy, Energy and Transport group of the Welsh Government. Although efforts have been taken to ensure that it is accurate, it should not be relied on as a definitive text of the Act or the Bill.

It has been produced solely to help people understand the effect of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill. It is not intended for use in any other context.

Please note: this document has been prepared solely to assist people in understanding the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill. It should not be relied on for any other purpose.

Part 2

THE WELSH REVENUE AUTHORITY

Establishment and status of the Welsh Revenue Authority

*Schedule 2(19(2)) of
the Development of
Tourism and
Regulation of Visitor
Accommodation
(Wales) Bill*

Functions

12 Main functions

- (1) WRA's general function is the collection and management of devolved taxes.
- (2) WRA has the following particular functions—
 - (a) providing to the Welsh Ministers information, advice and assistance relating to devolved taxes;
 - (b) providing information and assistance relating to WRA-collected taxes to taxpayers, their agents and other persons;
 - (c) resolving complaints and disputes relating to devolved taxes;
 - (d) promoting compliance with the law relating to devolved taxes and protecting against tax evasion and tax avoidance in relation to devolved taxes.
 - (e) providing information, advice and assistance relating to the visitor levy to principal councils.
- (2A) WRA also has functions under Part 2 of the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 (register of visitor accommodation providers) and [Part X of] the Development of Tourism and Regulation of Visitor Accommodation (Wales) Act 2026 (asc 00) (directory of visitor accommodation).
- (3) WRA must provide the Welsh Ministers with such information, advice or assistance relating to its functions as the Welsh Ministers may from time to time require in such form as the Welsh Ministers determine.
- (4) In addition to any other powers it has, WRA may do anything which it considers—

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- (a) necessary or expedient in connection with the exercise of its functions, or
- (b) incidental or conducive to the exercise of those functions.

Information

18 Permitted disclosures

- (1) A disclosure of protected information is permitted by this section if—

- (za) it is made for the purposes of WRA's functions, other than the functions mentioned in section 12(2)(a) and (e), and (3),
- (a) it is made with the consent of each person to whom the information relates,
- (b) it is made for the purpose of obtaining services in connection with a function of WRA,
- (c) it is made for the purposes of a criminal investigation or criminal proceedings or for the purposes of the prevention or detection of crime,
- (d) it is made to a body with responsibility for the regulation of a profession in connection with misconduct on the part of a member of the profession which relates to a function of WRA,
- (e) it is made for the purposes of civil proceedings,
- (f) it is made in pursuance of an order of a court or tribunal,
- (g) it is made in accordance with an enactment requiring or permitting the disclosure, or
- (h) it is made to WRA or to a person to whom WRA has delegated any of its functions for use in accordance with section 16.
- (i) [it is made to Her Majesty's Revenue and Customs in connection with a function of WRA or in connection with a function of Her Majesty's Revenue and Customs, or
- (j) it is made to Revenue Scotland in connection with a function of WRA or in connection with the collection and management of a devolved tax within the meaning of the Scotland Act [1998 \(c. 46\)](#).

*Schedule 2(19(3))
and section 39(5) of
the Development of
Tourism and
Regulation of Visitor
Accommodation
(Wales) Bill*

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- (k) the disclosure is of information acquired in connection with the functions of WRA under Part 2 of the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 (asc 00), and it is made—
 - (i) to a principal council in connection with a function of the principal council, or
 - (ii) to the Welsh Ministers in connection with their functions under ~~section 2 of the Development of Tourism Act 1969 (c. 51)~~ Part X of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Act 2026 (asc 00), or
- (l) it is made to the Welsh Ministers for the purpose of any of their functions under the Development of Tourism and Regulation of Visitor Accommodation (Wales) Act 2026 (asc 00).

- (2) The Welsh Ministers may by regulations amend subsection (1).

PART 8

REVIEWS AND APPEALS CHAPTER 1

INTRODUCTORY

*Schedule 2(19(4)) of
the Development of
Tourism and
Regulation of Visitor
Accommodation
(Wales) Bill*

Appealable decisions

172 Appealable decisions

- (1) A person to whom an appealable decision applies—
 - (a) may request a review of the decision (subject to subsection (4)), and
 - (b) may appeal against the decision, in accordance with the following provisions of this Part.
- (2) The following decisions by WRA are appealable decisions—

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- (a) a decision which affects whether a person is chargeable to a devolved tax;
- (b) a decision which affects the amount of a devolved tax to which a person is chargeable;
- (c) a decision which affects the day by which an amount of a devolved tax must be paid;
- (d) a decision about a penalty relating to a devolved tax;
- (da) a decision relating to a penalty point for failure to make a visitor levy return (within the meaning of Part 5);
- (db) a decision to issue a taxpayer notice, or to include a particular requirement in such a notice, where the tribunal did not approve the issuing of the notice
- (e) a decision to issue an information notice or to include a particular requirement in such a notice.
- (f) a decision to issue a notice under paragraph 14 of Schedule 16 to LTТА (recovery of group relief: notice requiring payment by another group company or controlling director);
- (g) a decision to issue a notice under paragraph 9 of Schedule 17 to that Act (recovery of reconstruction or acquisition relief: notice requiring payment by another group company or controlling director);]
- (h) a decision relating to the method to be used by the operator of an authorised landfill site to determine the weight of material for the purposes of landfill disposals tax;
- (i) a decision relating to the registration of a person for the purposes of landfill disposals tax;
- (j) a decision relating to the designation of a non-disposal area for the purposes of landfill disposals tax;
- (k) a decision relating to the designation of a group of bodies corporate for the purposes of landfill disposals tax;
- (l) a decision relating to a tax credit in respect of landfill disposals tax.
- (m) a decision relating to the registration of a person under Part 2 of the Visitor Accommodation (Register and Levy) Etc.

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(Wales) Act 2025 (asc 00) (~~see section 5 of that Act~~);

- (n) a decision to issue a notice under section 12 in that Part of that Act or to include a particular requirement in such a notice;
- (o) a decision relating to a penalty under that Part of that Act.

(2A) In subsection (2), “operator”, “authorised landfill site”, “registration” and “non-disposal area” have the same meanings as in LDТА.

(3) But the following decisions are not appealable decisions—

- (a) a decision to issue a notice of enquiry under section 43 or 74;
- (b) a decision to issue—
 - (i) a taxpayer notice where the tribunal approved the issuing of the notice, or
 - (ii) a third party notice to which section 90(3) applies;
- (c) a decision to include a particular requirement in—
 - (i) a taxpayer notice where the tribunal approved the issuing of the notice, or
 - (ii) a third party notice to which section 90(3) applies.

(4) Where the tribunal has approved the issuing of an information notice, a person may not request a review of WRA's decision to issue the notice.

(5) Where a review may be requested, or an appeal made, in respect of a decision to issue an information notice or include a requirement in such a notice, it may be requested or made only on the following grounds—

- (a) that it is unreasonable to require the person to whom the notice was issued to comply with the notice or requirement;
- (b) that a provision of sections 97 to 102 prevents the notice from requiring the person to provide the information or produce the document;
- (c) in the case of an identification notice issued under section 92 or a debtor contact notice issued under section 93, that condition 4 of that section has not been met.

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- (6) In the case of a decision to issue an ~~information notice~~ or a notice under section 12A of the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 or to include a particular requirement in such a notice, the person to whom the decision applies for the purposes of subsection (1) is the person to whom the notice was issued.
- (7) The Welsh Ministers may by regulations—
 - (a) modify this section to—
 - (i) add a decision to subsection (2) or (3);
 - (ii) vary the description of a decision in either of those subsections;
 - (iii) remove a decision from either of those subsections;
 - (b) amend this Part in order to make provision about the grounds on which a review may be requested, or an appeal made, in respect of an appealable decision.

PART 10

FINAL PROVISIONS

187A Crown application for the purposes of Land Transaction Tax

*Schedule 2(19(5)) of
the Development of
Tourism and
Regulation of Visitor
Accommodation
(Wales) Bill*

- (1) In so far as the following provisions of this Act apply to land transaction tax, they bind the Crown—
 - (a) Part 3;
 - (b) Part 4 (other than Chapter 6);
 - (c) Part 6 (other than sections 157A, 160 and 161(2)(b));
 - (d) Part 7 (other than sections 168, 169 and 170);
 - (e) Part 8 (other than sections 172(1)(d) and (e), (3)(b) and (c), (4), (5) and (6), 182 and 183);
 - (f) sections 190 and 191.
- (2) But Part 4 does not apply to Her Majesty in Her private capacity (within the meaning of section 38(3) of the Crown Proceedings Act 1947 (c. 44)).

Please note: this document has been prepared solely to assist people in understanding the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill. It should not be relied on for any other purpose.

187B Crown application for the purposes of the visitor levy, ~~the~~ and the register of visitor accommodation providers and the directory of visitor accommodation

- (1) This Act, in so far as it applies in relation to WRA's functions under Part 2 of the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 (asc 00) and Part X of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Act 2026 (asc 00), and in relation to the visitor levy, binds the Crown.
- (2) This Act, in so far as it applies in relation to WRA's functions under Part 2 of the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 (asc 00) and Part X of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Act 2026 (asc 00), and in relation To the visitor levy, does not make the Crown criminally liable, but it applies to persons in the service of the Crown as it applies to other persons.
- (3) In subsections (1) and (2), references to "this Act" include a reference to an enactment made under this Act.